



# The Goldman Sachs Group, Inc.

## Euro Medium-Term Notes, Series F

### Subordinated Euro Medium-Term Notes, Series G

#### TERMS OF SALE

Unless the context requires otherwise, references to the notes refer to both the Series F euro medium-term notes and the Series G Subordinated euro medium-term notes. The following terms may apply to the notes that The Goldman Sachs Group, Inc. may sell from time to time. The specific terms of each note will be included in the final terms relating to that note.

- stated maturity of up to 40 years from the date of issue
- fixed or floating interest rate, zero-coupon and / or issued with original issue discount
- amount of interest may be determined by reference to one or more underlying rates, measures or instruments
- may be subject to redemption at the option of The Goldman Sachs Group, Inc. or repayment at the option of the holder
- may not be amortized or subject to a sinking fund
- may be denominated in U.S. dollars or in other currencies, currency units or composite currencies and payable in the denominated or other currencies
- denominations of at least U.S.\$2,000 or, if denominated in other currencies, denominations of at least €1,000 or the equivalent thereof
- settlement in immediately available funds

The notes will not be secured by any property or assets. The Series F euro medium-term notes will not be subordinated to any of our other debt obligations. The Series G subordinated euro medium-term notes will rank junior in right of payment to our senior indebtedness, including the Series F euro medium-term notes.

Any of the terms described above may be varied in the applicable final terms to the extent permissible.

The Goldman Sachs Group, Inc. may offer and sell these notes to or through one or more underwriters, dealers and agents, including Goldman Sachs International, or directly to purchasers, on a continuous or delayed basis.

Application has been made to the Commission de Surveillance du Secteur Financier (the "CSSF"), which is the competent Luxembourg authority under the Prospectus Directive for approving this European base prospectus. The CSSF assumes no responsibility as to the economic and financial soundness of the notes or the quality or solvency of The Goldman Sachs Group, Inc. in accordance with Article 7(7) of the Luxembourg Act dated July 10, 2005, which implements the Prospectus Directive. Application has been made to the Luxembourg Stock Exchange for notes issued under the Series F and Series G euro medium-term notes programs to be listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange. Notes issued under one of those programs may also be listed on an alternative stock exchange or may not be listed at all. References to the Prospectus Directive include Directive 2003/71/EC of the European Parliament and of the Council (and amendments thereto, including Directive 2010/73/EU of the European Parliament and of the Council (the "2010 PD Amending Directive"), to the extent implemented in the Relevant Member State) and any relevant implementing measure in each Relevant Member State. The Goldman Sachs Group, Inc. is under no obligation to maintain the listing of any notes that are listed. See "Listing and General Information" below.

This European base prospectus constitutes a base prospectus for the purposes of Article 5.4 of the Prospectus Directive. The European Base Prospectus should be read together with any supplements thereto, all documents incorporated by reference therein and the applicable final terms.

Subject to certain exceptions, the notes may not be offered, sold or delivered, directly or indirectly, in the United States of America or to U.S. persons. See "Plan of Distribution". **The notes have not been and will not be registered under the United States Securities Act of 1933, as amended, or under the securities or blue sky laws of any state. Neither the U.S. Securities and Exchange Commission nor any other regulatory body has approved or disapproved of the notes or passed upon the accuracy or inaccuracy of this European base prospectus. This European base prospectus is not for use in, and may not be delivered to or inside, the United States.**

**The notes we may issue are not bank deposits and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.**

The Goldman Sachs Group, Inc. may use this European base prospectus in the initial sale of any note. In addition, Goldman Sachs International or any other affiliate of The Goldman Sachs Group, Inc. may use this European base prospectus in a market-making transaction in any note after its initial sale. **Unless The Goldman Sachs Group, Inc. or its agent informs the purchaser otherwise in the confirmation of sale, this European base prospectus is being used in a market-making transaction.**

If the notes are stated in the applicable final terms to be issued under the new safekeeping structure ("NSS"), then we will deliver these notes to a common safekeeper for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg"). Global notes which are not issued under NSS will be deposited with a common depository for Euroclear and Clearstream, Luxembourg.

**See "Risk Factors" beginning on p. 10 for a discussion of certain risks that should be considered in connection with an investment in certain types of notes which may be offered hereby.**

## Goldman Sachs International

European Base Prospectus, dated June 10, 2013

Unless the context otherwise requires, references in this European base prospectus to “The Goldman Sachs Group, Inc.”, “the Issuer”, “we”, “our” and “us” mean only The Goldman Sachs Group, Inc. and do not include its consolidated subsidiaries. References to “Goldman Sachs”, “the Group” and the “Goldman Sachs Group” refer to The Goldman Sachs Group, Inc. together with its consolidated subsidiaries. Also, when we refer to “holders” we mean those who own notes registered in their own names, on the books that we or our agents maintain for this purpose; “holders” does not refer to those who own beneficial interests in notes registered in street name or in notes issued in global — *i.e.*, book-entry — form through Euroclear SA/NV, Clearstream Banking, *société anonyme*, or another depository. Prospective owners of beneficial interests in the notes issued in global form should read the section entitled “General Note Conditions — Form, Exchange, Registration and Transfer” below.

We have not authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference in this European base prospectus. Neither this European base prospectus nor any final terms constitutes an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or solicitation in that jurisdiction. Neither the delivery of this European base prospectus, any final terms nor any sale made pursuant to those documents, shall, under any circumstances, create any implication that there has been no change in the affairs of The Goldman Sachs Group, Inc. since the date of the document or that the information contained within the documents is correct as of any time subsequent to its date.

The Luxembourg Stock Exchange’s regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

The credit ratings of The Goldman Sachs Group, Inc. referred to in the European Base Prospectus have been issued by DBRS, Inc., Fitch, Inc., Moody’s Investors Service and Standard & Poor’s Ratings Services, each of which is established in the United States (together, the “US CRAs”).

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not either (1) issued or validly endorsed by a credit rating agency established in the European Union (an “EU CRA”) and registered with the European Securities and Markets Authority (“ESMA”) under Regulation (EU) No. 1060/2009, amended by Regulation (EU) No 513/2011 (as amended, the “CRA Regulation”) or (2) issued by a credit rating agency established outside the European Union which is certified under the CRA Regulation.

The EU affiliates of DBRS, Inc., Fitch, Inc., Moody’s Investors Service, Standard & Poor’s Ratings Services are registered EU CRAs on the official list, available at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>. The ESMA has approved the endorsement by such EU affiliates of credit ratings issued by the corresponding US CRAs. Accordingly, credit ratings issued by the US CRAs may be used for regulatory purposes in the EU. In addition to the US CRAs mentioned, Rating and Investment Information, Inc. (“R&I”) has issued a credit rating. This rating is incorporated in the European Base Prospectus for information purposes only. R&I is incorporated in a third country but has not applied for the registration under the CRA Regulation.

---

#### Responsibility Statement

The Goldman Sachs Group, Inc. accepts responsibility for the information contained in this European base prospectus. To the best of the knowledge and belief of The Goldman Sachs Group, Inc. (which has taken all reasonable care to ensure that such is the case), the information contained in this European base prospectus is in accordance with the facts and contains no omission likely to affect the import of such information. Where information contained in this European base prospectus has been sourced from a third party, such information has been accurately reproduced and so far as The Goldman Sachs Group, Inc. is aware and is able to

ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

---

In relation to notes listed on the Official List of the Luxembourg Stock Exchange, this European base prospectus is valid for a period of twelve months. The Goldman Sachs Group, Inc. has undertaken, in connection with the listing of the notes, that if there shall occur any material adverse change in the financial condition or operations of The Goldman Sachs Group, Inc. or any modification or amendment to the terms and conditions of the notes such that this European base prospectus would be inaccurate or misleading, The Goldman Sachs Group, Inc. will prepare and make available a supplement to this European base prospectus or a further European base prospectus for any subsequent issue of notes to be listed on the Official List of the Luxembourg Stock Exchange.

---

In this section, the expression "necessary information" means, in relation to any tranche of notes, the information necessary to enable investors in such notes to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of The Goldman Sachs Group, Inc. and of the rights attaching to such notes. In relation to the different types of notes that may be issued under the program, The Goldman Sachs Group, Inc. has included in this European base prospectus all of the necessary information except for information which is not known at the date of this European base prospectus and which can only be determined at the time of an individual issue of a tranche of notes.

Any information relating to the notes which is not included in this European base prospectus and which is required in order to complete the necessary information in relation to a tranche of notes will be contained either in the relevant final terms or in a further European base prospectus.

For a tranche of notes which is the subject of final terms, those final terms will, for the purposes of that tranche only, complete this European base prospectus and must be read in conjunction with this European base prospectus.

---

In connection with the issue of any tranche of notes, Goldman Sachs International (or persons acting on its behalf) may over-allot notes (provided that, in the case of any tranche of notes to be listed on the Official list of the Luxembourg Stock Exchange, the aggregate principal amount of notes allotted does not exceed 105 per cent of the aggregate principal amount of the relevant tranche) or effect transactions with a view to supporting the market price of the notes at a level higher than that which might otherwise prevail. However, there is no assurance that Goldman Sachs International (or persons acting on its behalf) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant tranche of notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant tranche of notes and 60 days after the date of the allotment of the relevant tranche of notes. Any stabilization action or over-allotment must be conducted by Goldman Sachs International (or persons acting on its behalf) in accordance with all applicable laws and rules.

---

Any insurance company or fiduciary of a pension plan or other employee benefit plan that is subject to the prohibited transactions rules of the Employee Retirement Income Security Act of 1974, as amended, or the Internal Revenue Code of 1986, as amended, including an IRA or a Keogh plan (or a governmental plan to which similar prohibitions apply), and that is considering purchasing the notes with the assets of the insurance company or the assets of the plan, should consult with its counsel regarding whether the purchase or holding of the notes could become a "prohibited transaction" under ERISA, the Internal Revenue Code or any substantially similar

**prohibition in light of the representations a purchaser or holder in any of the above categories is deemed to make by purchasing and holding the notes. This is discussed in more detail under “Employee Retirement Income Security Act” below.**

**Consent to use this Base Prospectus:** If so specified in the Final Terms in respect of any particular issuance of notes, the Issuer consents to the use of this Base Prospectus in connection with the making of an offer of the notes to the public requiring the prior publication of a prospectus under the Prospectus Directive (a "Non-exempt Offer") (i) by the financial intermediary/ies (each, an "Authorized Offeror"), (ii) during the offer period and (iii) subject to the relevant conditions, in each case as specified in the relevant Final Terms.

The consent shall be valid in relation to the Grand Duchy of Luxembourg and such of Austria, Belgium, Bulgaria, the Czech Republic, Denmark, Finland, France, Greece, Germany, Hungary, Ireland, Italy, The Netherlands, Norway, Poland, Portugal, Slovakia, Spain, Sweden and the United Kingdom as is specified in the relevant Final Terms and each other Member State the competent authority of which has been provided with a Certificate of Approval by the Competent Authority in relation to this Base Prospectus under Article 18 of the Prospectus Directive, provided that it shall be a condition of such consent that the Base Prospectus may only be used by the relevant Authorized Offeror(s) to make offerings of the relevant notes in the jurisdiction(s) in which the Non-exempt Offer is to take place, as specified in the relevant Final Terms.

The Issuer may (i) give consent to one or more additional Authorized Offerors after the date of the relevant Final Terms, (ii) discontinue or change the offer period, and/or (iii) remove or add conditions and, if it does so, such information in relation to the relevant notes will be published by way of notice which will be available on the Luxembourg Stock Exchange website ([www.bourse.lu](http://www.bourse.lu)). The consent relates only to offer periods occurring within 12 months from the date of this Base Prospectus.

**Any Authorized Offeror who wishes to use this European base prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant offer period, to publish on its website that it is relying on this European base prospectus for such Non-exempt Offer with the consent of the Issuer.**

The Issuer accepts responsibility for the content of this Base Prospectus in relation to any person (an "Investor") purchasing notes pursuant to a Non-exempt Offer where the offer to the Investor is made (i) by an Authorized Offeror (or the Issuer or Goldman Sachs International), (ii) in a Member State for which the Issuer has given its consent, (iii) during the offer period for which the consent is given and (iv) in compliance with the other conditions attached to the giving of the consent, all as set forth in the relevant Final Terms. However, neither the Issuer nor Goldman Sachs International has any responsibility for any of the actions of any Authorized Offeror, including compliance by an Authorized Offeror with applicable conduct of business rules or other local regulatory requirements or other notes law requirements in relation to such offer.

Other than in accordance with the terms set out in the paragraph above, the Issuer has not authorized (and nor has Goldman Sachs International) the making of any Non-exempt Offers of the notes or the use of this Base Prospectus by any person. No financial intermediary or any other person is permitted to use this Base Prospectus in connection with any offer of the notes in any other circumstances. Any such offers are not made on behalf of the Issuer (or Goldman Sachs International) and neither the Issuer nor Goldman Sachs International has any responsibility or liability to any Investor purchasing notes pursuant to such offer or for the actions of any person making such offer.

**If an Investor intends to purchase notes from an Authorized Offeror, it will do so, and such offer and sale will be made, in accordance with any terms and other arrangements in place between such Authorized Offeror and the Investor, including as to price allocations and settlement arrangements. The Issuer will not be a party to any such arrangements and, accordingly, this Base Prospectus does not contain such information. The terms and conditions of such offer should be provided to the Investor by that Authorized Offeror at the time such offer is made. Neither the Issuer nor Goldman Sachs International has any responsibility or liability for such information.**

## TABLE OF CONTENTS

Summary .....	6
Risk Factors .....	17
Certain Factors That May Affect Our Business .....	17
Considerations Relating to Notes Generally .....	17
Considerations Relating to Range Accrual Notes .....	20
Considerations Relating to Notes Denominated or Payable in or Linked to Currencies Other Than Your Own Principal Currency .....	22
Considerations Relating to Notes Linked to LIBOR Underlyers .....	24
Documents Incorporated by Reference .....	26
Introduction .....	28
Use of Proceeds .....	28
General Note Conditions .....	29
Information About Our Series F Euro Medium-Term Notes and Series G Subordinated Euro Medium- Term Note Program .....	29
Features Common to All Notes .....	31
Interest Rates .....	39
Range Accrual Notes .....	56
Redemption and Repayment .....	59
Payment of Additional Amounts .....	62
Mergers and Similar Transactions .....	64
Subordination Provisions .....	64
Restriction on Liens .....	65
Defeasance and Covenant Defeasance .....	66
Events of Default and Remedies .....	67
Meetings, Modification and Waiver of Covenants .....	69
Special Rules for Action by Holders .....	70
Payment Mechanics for Notes .....	71
Form, Exchange, Registration and Transfer .....	73
Payment of Stamp and Other Taxes .....	77
Notices .....	77
Title .....	77
Replacement of Notes .....	77
Plan of Distribution .....	78
Selling Restrictions .....	78
Market-Making Resales by Affiliates .....	84
Matters Relating to Initial Offering and Market-Making Resales .....	85
Employee Retirement Income Security Act .....	85
Listing and General Information .....	86
Taxation .....	89
Form of Final Terms (Series F Notes) .....	S1-1
Form of Final Terms (Series G Notes) .....	S2-1

## SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A-E (A.1-E.7). This summary contains all the Elements required to be included in a summary relating to the notes and the Issuer. Because some Elements are not required to be addressed there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted into the summary because of the type of security and Issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary and marked as 'not applicable'.

<b>Section A—Introduction and warnings</b>		
<b>Element</b>	<b>Disclosure requirement</b>	<b>Disclosure</b>
A.1	Warning	<p>This summary should be read as an introduction to the European base prospectus. Any decision to invest in the notes should be based on a consideration of the European base prospectus as a whole, including any documents incorporated by reference. Where a claim relating to the information contained in the European base prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Economic Area, have to bear the costs of translating the European base prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the European base prospectus or it does not provide, when read together with the other parts of the European base prospectus, key information in order to aid investors when considering whether to invest in the notes.</p>
A.2	Consents	<p>[Subject to the conditions set out below, in connection with a Non-exempt Offer (as defined below) of Securities, the Issuer consents to the use of the Base Prospectus by Goldman Sachs International [and by:</p> <p>(1) [[●],[●] and [●] (the "Initial Authorised Offeror[s]");]</p> <p>(2) [if the Issuer appoints additional financial intermediaries after the date of the Final Terms dated [●] and publishes details in relation to them on its website (www.[●].com), each financial intermediary whose details are so published, in the case of (1) or (2) above, for as long as such financial intermediaries are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC);]</p> <p>each an "Authorised Offeror" and together the "Authorised Offerors").</p> <p>The consent of the Issuer is subject to the following conditions:</p> <p>(i) the consent is only valid during the period from [●] until [●] (the "Offer Period"); [and]</p> <p>(ii) the consent only extends to the use of the Base Prospectus to make Nonexempt Offers (as defined below) of the tranche of Securities in [Austria / Belgium / Bulgaria / the Czech Republic / Denmark / Finland / France / Germany / Greece / Hungary / Ireland / Italy / Luxembourg / The Netherlands / Norway / Poland / Portugal / Slovakia / Spain / Sweden [and] the United Kingdom.]</p> <p>[(iii) the consent is subject to the further following conditions: [●].]</p> <p>A "Non-exempt Offer" of Securities is an offer of Securities that is not within an exemption from the requirement to publish a prospectus under Directive 2003/71/EC, as amended.</p> <p><b>Any person (an "Investor") intending to acquire or acquiring any Securities from an Authorised Offeror will do so, and offers and</b></p>

	<p><b>sales of Securities to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with Investors (other than Goldman Sachs International) in connection with the offer or sale of the Securities and, accordingly, the Base Prospectus and the Final Terms will not contain such information and an Investor must obtain such information from the Authorised Offeror. Information in relation to an offer to the public will be made available at the time such sub-offer is made, and such information will also be provided by the relevant Authorised Offeror at the time of such offer.]</b></p> <p>[Not applicable; no consent is given for the use of the Base Prospectus for subsequent resales of the notes.]</p>
--	---

Section B—Issuer														
Element	Disclosure requirement	Disclosure												
B.1	Legal and commercial name	The Goldman Sachs Group, Inc. (the <b>Issuer</b> )												
B.2	Domicile and legal form	The Goldman Sachs Group, Inc. is a Delaware corporation organized and existing under the Delaware General Corporation Law. The registered office of the Issuer is 200 West Street, New York, New York 10282, United States.												
B.4b	A description of any known trends affecting the issuer and the industries in which it operates	The Issuer's prospects for the remainder of 2013 will be affected, potentially adversely, by developments in global, regional and national economies, including in the U.S., movements and activity levels, in financial, commodities, currency and other markets, interest rate movements, political and military developments throughout the world, client activity levels and legal and regulatory developments in the United States and other countries where the Issuer does business.												
B.5	Group description	<p>The Goldman Sachs Group, Inc. is a bank holding company and a financial holding company regulated by the Board of Governors of the Federal Reserve System (Federal Reserve Board). The Issuer's U.S. depository institution subsidiary, Goldman Sachs Bank USA (GS Bank USA), is a New York State-chartered bank. The Goldman Sachs Group, Inc. is the parent holding company of the Goldman Sachs Group.</p> <p>As of December 2012, the Goldman Sachs Group had offices in over 30 countries and 49% of its total staff was based outside the Americas (which includes the countries in North and South America). The Goldman Sachs Group's clients are located worldwide, and it is an active participant in financial markets around the world. In 2012, the Issuer generated 41% of its net revenues outside the Americas.</p> <p>The Issuer reports its activities in four business segments: Investment Banking, Institutional Client Services, Investing &amp; Lending and Investment Management.</p>												
B.9	Profit forecast or estimate	Not applicable; the Issuer has not made any profit forecast or estimate in this Base Prospectus.												
B.10	Audit report qualifications	Not applicable; there are no qualifications in the audit report of the Issuer contained in the European base prospectus.												
B.12	Key financial information	Selected historical consolidated financial information relating to the Goldman Sachs Group, Inc. which summarizes the consolidated financial position of the Goldman Sachs Group, Inc. as of and for the years ended 31 December 2012 and 2011, and for the three months ended 31 March 2013 and 2012 and as of 31 March 2013 is set out in the following tables:												
	<b>Income statement information (in millions of USD)</b>	<table border="1"> <thead> <tr> <th colspan="2">For the year ended 31 December</th> <th colspan="2">For the three months ended 31 March</th> </tr> <tr> <th>2012</th> <th>2011</th> <th>2013</th> <th>2012</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	For the year ended 31 December		For the three months ended 31 March		2012	2011	2013	2012				
For the year ended 31 December		For the three months ended 31 March												
2012	2011	2013	2012											

Section B—Issuer				
Element	Disclosure requirement	Disclosure		
			(unaudited)	(unaudited)
	Total non-interest revenues	30,283	23,619	9,165
	Net revenues, including net interest income	34,163	28,811	10,090
	Pre-tax earnings/(loss)	11,207	6,169	3,373
	<b>Balance sheet information (in millions of USD)</b>	<b>As of 31 December</b>		<b>As of 31 March 2013 (unaudited)</b>
		<b>2012</b>	<b>2011</b>	
	Total assets	938,555	923,225	959,223
	Total liabilities	862,839	852,846	881,995
	Total shareholders' equity	75,716	70,379	77,228
	<b>Material Adverse or Significant Changes</b>	<p>Not applicable; there has been no material adverse change in the prospects of The Goldman Sachs Group, Inc. since December 31, 2012.</p> <p>Not applicable; there has been no significant change in the financial or trading position of The Goldman Sachs Group, Inc. subsequent to March 31, 2013.</p> <p>In the foregoing statements required by the Prospectus Regulation, references to the "prospects" and "financial or trading position" of the Issuer, are specifically to the ability of the Issuer to meet its full payment obligations under the notes in a timely manner.</p>		
B.13	Events impacting the Issuer's Solvency	Not Applicable — there have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.		
B.14	Dependence upon other Group entities	<p>See Element B.5.</p> <p>The Issuer is a holding company and, therefore, depends on dividends, distributions and other payments from its subsidiaries to fund dividend payments and to fund all payments on its obligations, including debt obligations.</p>		
B.15	Principal activities	<p>The Goldman Sachs Group's activities are conducted in the following segments:</p> <p><b>(1) Investment Banking:</b></p> <ul style="list-style-type: none"> <li>• Financial Advisory, which includes strategic advisory assignments with respect to mergers and acquisitions, divestitures, corporate defense activities, risk management, restructurings and spin-offs, and derivative transactions directly related to these client advisory assignments; and</li> <li>• Underwriting, which includes public offerings and private placements, including domestic and cross-border transactions, of a wide range of securities, loans and other financial instruments, and derivative transactions directly related to these client underwriting activities.</li> </ul> <p><b>(2) Institutional Client Services:</b></p> <ul style="list-style-type: none"> <li>• Fixed Income, Currency and Commodities, which includes client execution activities related to making markets in interest rate products, credit products, mortgages, currencies and commodities; and</li> <li>• Equities, which includes client execution activities related to making markets in equity products, as well as commissions and fees from executing and clearing institutional client transactions on major stock, options and futures exchanges worldwide. Equities also includes the Goldman Sachs Group's securities services business, which provides financing, securities lending</li> </ul>		



Section B—Issuer					
Element	Disclosure requirement	Disclosure			
		<p>and other prime brokerage services to institutional clients, including hedge funds, mutual funds, pension funds and foundations, and generates revenues primarily in the form of interest rate spreads or fees, and revenues related to the Goldman Sachs Groups' reinsurance activities</p> <p>(3) <b>Investing &amp; Lending</b>, which includes the Goldman Sachs Group's investing activities and the origination of loans to provide financing to clients. These investments and loans are typically longer-term in nature. The Goldman Sachs Group makes investments, directly and indirectly through funds that it manages, in debt securities and loans, public and private equity securities, real estate, consolidated investment entities and power generation facilities.</p> <p>(4) <b>Investment Management</b>, which provides investment management services and offers investment products (primarily through separately managed accounts and commingled vehicles, such as mutual funds and private investment funds) across all major asset classes to a diverse set of institutional and individual clients. Investment Management also offers wealth advisory services, including portfolio management and financial counseling, and brokerage and other transaction services to high-net-worth individuals and families.</p>			
B.16	Ownership and control of the Issuer	Not applicable; the Issuer is a publicly-held company listed on the New York Stock Exchange and not directly or indirectly owned or controlled by any shareholders or affiliated group of shareholders.			
B.17	Credit Rating	The following table sets forth the Issuer's unsecured credit ratings as of the date of this European base prospectus. A rating is not a recommendation to buy, sell or hold any of the notes. Any or all of these ratings are subject to revision or withdrawal at any time by the assigning rating organization. Each rating should be evaluated independently of any other rating:			
		Short-Term Debt	Long-Term Debt	Subordinated Debt	Preferred Stock
	Dominion Bond Rating Service Limited.....	R-1 (middle)	A (high)	A	BBB
	Fitch, Inc.....	F1	A	A-	BB+
	Moody's Investors Service.....	P-2	A3	Baa1	Ba2
	Standard & Poor's .....	A-2	A-	BBB+	BB+
	Rating and Investment Information, Inc.....	a-1	A+	A	N/A

<b>Section C—Securities</b>		
<b>Element</b>	<b>Disclosure requirement</b>	<b>Disclosure</b>
C.1	Description of Notes/ISIN	<p>The notes are [<i>specify currency of notes being issued</i>] [<i>specify fixed interest rate of notes being issued</i>] per cent./Floating Rate/Zero Coupon/Range accrual ] notes due [ ].</p> <p>The ISIN of the notes is [<i>specify ISIN</i>].</p> <p>The common code of the notes is [<i>specify common code</i>].</p> <p>The valoren number of notes is [<i>specify valoren number, if applicable</i>].</p> <p>The WKN of the notes is [<i>specify WKN, if applicable</i>].</p>
C.2	Currency of the securities issue	The currency of the notes is [ <i>specify currency of notes being issued</i> ].
C.5	Restrictions on the free transferability of the securities	Not applicable. There are no restrictions on the free transferability of the notes. Sales and resales of the notes may be subject to restrictions arising under the laws of various jurisdictions.
C.8	Rights attached to the notes, including ranking and limitations on those rights	<p><b>Rights</b></p> <p>Each series of notes will be issued pursuant to a document called a fiscal agency agreement. Each fiscal agency agreement is a contract between The Goldman Sachs Group, Inc. and The Bank of New York Mellon, which acts as fiscal agent. The fiscal agent performs certain administrative duties for the Issuer. The fiscal agent does not act as an indenture trustee on your behalf.</p> <p><i>Mergers and similar transactions</i></p> <p>The Issuer will not merge or consolidate with another corporation or corporate entity, unless certain conditions are met.</p> <p><i>Restrictions on liens</i></p> <p>With respect to the Series F euro medium-term notes, the Issuer will not create, assume, incur or guarantee any indebtedness for borrowed money secured by a pledge, lien or other similar encumbrance on any of the equity interests that the Issuer or any of its subsidiaries own in Goldman, Sachs &amp; Co., unless the Issuer also secures the notes on an equal or priority basis or the Issuer's board of directors determines that the liens do not materially detract from or interfere with the value or control of those interests, as of the date of such determination.</p> <p><i>Defeasance and covenant defeasance</i></p> <p>Unless otherwise specified in the applicable final terms, if there is a change in U.S. federal tax law, the Issuer will be entitled, in the case of all fixed rate notes payable in U.S. dollars to release itself from all obligations under the notes, subject to certain conditions. Moreover, unless otherwise specified in the applicable final terms, the Issuer will be entitled, in the case of all fixed rate notes payable in U.S. dollars, to release itself from any other restrictive covenants relating to the notes, subject to similar conditions as those referred to above.</p> <p><i>Events of Default</i></p> <p>The terms of the Series F euro medium term notes contain, among others, the following events of default:</p> <ul style="list-style-type: none"> <li>• the Issuer does not pay the principal or any premium on any of such notes on the due date;</li> <li>• the Issuer does not pay interest on any of such notes within 30 days after the due date; and</li> <li>• the Issuer files for bankruptcy or other events of bankruptcy, insolvency or reorganization relating to The Goldman Sachs Group, Inc. occur.</li> </ul> <p>The events of default for a Series G subordinated euro medium-term note will be limited to the Issuer filing for bankruptcy or the occurrence of other events of bankruptcy, insolvency or reorganization relating to The Goldman Sachs Group,</p>

Section C—Securities								
Element	Disclosure requirement	Disclosure						
		<p>Inc. If an event of default occurs and is continuing the holder of an affected note may, at its option, by written notice to the Issuer and the fiscal agent, declare the principal of its note to be immediately due and payable.</p> <p><i>Governing Law</i></p> <p>The notes will be governed by New York law.</p> <p><b>Ranking</b></p> <p>The Series F euro medium-term notes will rank pari passu with all other unsecured and unsubordinated indebtedness of The Goldman Sachs Group, Inc. The Series G subordinated euro medium-term notes will rank junior in right of payment to the senior indebtedness of The Goldman Sachs Group, Inc., including the Series F euro medium-term notes.</p> <p><b>Limitations to rights</b></p> <ul style="list-style-type: none"> <li>Notwithstanding that the notes are linked to the performance of the underlying asset(s), holders do not have any rights in respect of the underlying assets(s).</li> <li>Each fiscal agency agreement contains provisions for convening meetings of the holders of notes to consider matters affecting their interests. Although some changes require the approval of each holder of notes affected by an amendment, some do not require any approval by holders of notes and some require only the approval of 66 2/3% in aggregate principal amount of the affected notes, and so holders may be bound even if they did not attend and vote at the relevant meeting or voted in a manner contrary to the plurality.</li> <li>The terms and conditions of the notes permit the Issuer and the Calculation Agent (as the case may be), on the occurrence of certain events and in certain circumstances, without the consent of the holders of the notes, to make adjustments to the terms and conditions of the notes, to redeem the notes prior to maturity, (where applicable) to postpone valuation of the underlyers or scheduled payments under the notes, to change the currency in which the notes are denominated, to substitute the Issuer with another permitted entity subject to certain conditions, and to take certain other actions with regard to the notes and the underlyers (if any).</li> </ul>						
C.9	Interest provisions, yield and representative of the holders	<p>See Element C.8.</p> <p><b>Interest</b></p> <p>[Fixed rate: The notes bear interest at the fixed rate of <i>[specify interest rate]</i>, payable in arrears on <i>[specify interest payment dates]</i> from <i>[specify the interest commencement date]</i> to <i>[specify the maturity date]</i>, with a yield to maturity of <i>[specify yield to maturity, if applicable]</i>.</p> <p>[Floating rate: The notes bear interest at a floating rate by reference to <i>[specify reference rate]</i> <i>[minus/plus/multiplied by the spread/multiplier, if and as applicable]</i> <i>[subject to the maximum/minimum rate, if applicable]</i>, payable in arrears on <i>[specify interest payment dates]</i> from <i>[specify the interest commencement date]</i> to <i>[specify the maturity date]</i>, with a yield to maturity of <i>[specify yield to maturity, if applicable]</i>.</p> <p>[Range Accrual: The notes bear interest at <i>[specify interest rates]</i> payable in arrears on <i>[specify interest payment dates]</i> from <i>[specify the interest commencement date]</i> to <i>[specify the maturity date]</i>, provided that the level of <i>[specify underlyer daily fixing]</i> on such day falls within the accrual range applicable to the relevant underlyer].</p> <p>[Change in Interest Rate Note Provisions:[Not Applicable] [Applicable].  <i>[If Not Applicable, delete the following table. If applicable modify as appropriate]</i></p> <table border="1"> <thead> <tr> <th>Scheduled</th> <th>Rate of Interest</th> <th>Spread / Cap / Floor</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Scheduled	Rate of Interest	Spread / Cap / Floor			
Scheduled	Rate of Interest	Spread / Cap / Floor						

**Section C—Securities**

Element	Disclosure requirement	Disclosure								
		<b>Interest Payment Date</b>								
		[ <i>first interest payment date</i> ]	[[●] per cent.] [Base Rate: ●] [Underlyer Maturity: ●] [Underlyer Currency: ●]	[Spread: ●] [Spread Multiplier: ●] [Minimum Rate: ●] [Maximum Rate: ●]						
		[ <i>insert date</i> ] [ <i>repeat as required</i> ]	[ <i>repeat as required</i> ]	[ <i>repeat as required</i> ]						
		<p><b>Indication of Yield</b> [The yield is calculated at [<i>insert issue date</i>] (the "Issue Date") on the basis of the Issue Price of [<i>insert issue price</i>]. It is not an indication of future yield.] [The yield is [●].]</p>								
		<p><b>Redemption and Repayment</b>  <i>Redemption at the Option of The Goldman Sachs Group, Inc.</i> [If applicable: Your note will be redeemable at the Issuer's option on the Issuer's Redemption Dates specified in the table below at the corresponding Issuer's Redemption Price:</p>								
		<table border="1"> <thead> <tr> <th data-bbox="558 932 997 968">Issuer's Redemption Date</th> <th data-bbox="1002 932 1437 968">Issuer's Redemption Price</th> </tr> </thead> <tbody> <tr> <td data-bbox="558 974 997 1010">[<i>insert date</i>]</td> <td data-bbox="1002 974 1437 1010">[●] per cent.</td> </tr> <tr> <td data-bbox="558 1016 997 1043">[<i>insert date</i>] [<i>repeat as required</i>]</td> <td data-bbox="1002 1016 1437 1043">[●] per cent. [<i>repeat as required</i>]</td> </tr> </tbody> </table>			Issuer's Redemption Date	Issuer's Redemption Price	[ <i>insert date</i> ]	[●] per cent.	[ <i>insert date</i> ] [ <i>repeat as required</i> ]	[●] per cent. [ <i>repeat as required</i> ]
Issuer's Redemption Date	Issuer's Redemption Price									
[ <i>insert date</i> ]	[●] per cent.									
[ <i>insert date</i> ] [ <i>repeat as required</i> ]	[●] per cent. [ <i>repeat as required</i> ]									
		] [Not applicable.]								
		<p><i>Repayment at the Option of the Holder</i> [If applicable: Your note will be repayable at the holder's option on the Holder's Repayment Date specified in the table below at the corresponding Holder's Redemption Price, together with interest accrued but unpaid to the repayment date:</p>								
		<table border="1"> <thead> <tr> <th data-bbox="558 1243 997 1278">Holder's Redemption Date</th> <th data-bbox="1002 1243 1437 1278">Holder's Redemption Price</th> </tr> </thead> <tbody> <tr> <td data-bbox="558 1276 997 1312">[<i>insert date</i>]</td> <td data-bbox="1002 1276 1437 1312">[●] per cent.</td> </tr> <tr> <td data-bbox="558 1318 997 1354">[<i>insert date</i>] [<i>repeat as required</i>]</td> <td data-bbox="1002 1318 1437 1354">[●] per cent. [<i>repeat as required</i>]</td> </tr> </tbody> </table>			Holder's Redemption Date	Holder's Redemption Price	[ <i>insert date</i> ]	[●] per cent.	[ <i>insert date</i> ] [ <i>repeat as required</i> ]	[●] per cent. [ <i>repeat as required</i> ]
Holder's Redemption Date	Holder's Redemption Price									
[ <i>insert date</i> ]	[●] per cent.									
[ <i>insert date</i> ] [ <i>repeat as required</i> ]	[●] per cent. [ <i>repeat as required</i> ]									
		] [Not applicable.]								
		<p><i>Redemption Upon Change in Law</i> [If applicable: The Issuer may redeem, as a whole but not in part, any outstanding notes, if, at any time on or after the settlement date, as a result of (i) the adoption of or any change in any applicable law or regulation or (ii) the promulgation of or any change in the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation, the calculation agent determines that the Issuer and/or any of its affiliates will incur a materially increased cost in performing its obligations under the notes or if such performance becomes illegal, in whole or in part.] [Not applicable.]</p>								
		<p><i>Redemption Upon Payment of Additional Amounts</i> [If applicable: The Issuer may redeem, as a whole but not in part, any outstanding notes, if, as a result of certain changes in the laws or regulations of any U.S. taxing authority, on or after the date of this European base prospectus, it is obligated to pay, on the next succeeding interest payment date, additional amounts, and that obligation cannot be avoided by the use of reasonable measures available to the Issuer.] [Not applicable.]</p>								
		<i>Final Redemption Amount</i>								

Section C—Securities											
Element	Disclosure requirement	Disclosure									
		<p>Unless previously redeemed, or purchased and cancelled, the notes will be redeemed by payment of the Amount Payable at Maturity (Final Redemption Amount) on the maturity date. The Amount Payable at Maturity is [●]% of the Face Amount (Aggregate Notional Amount).</p> <p><b>Representative of holders</b> Not Applicable. No representative of the noteholders has been appointed by the Issuer.</p>									
C.10	Derivative components in the interest payments	<p>See Element C.9</p> <p><i>[For fixed or floating rate notes: Not applicable – there is no derivative component in the interest payments.]</i></p> <p><i>[For range accrual notes: Interest will accrue on your notes [specify interest rate], provided that the level of [the][each] Underlyer Daily Fixing (specified in the table below) on such day falls within the Accrual Range (specified in the table below) applicable to the relevant Underlyer (specified in the table below):</i></p> <table border="1"> <thead> <tr> <th>Underlyers</th> <th>Accrual Range</th> <th>Underlyer Daily Fixings</th> </tr> </thead> <tbody> <tr> <td>[LIBOR] [EURIBOR] [AUD BBSW] [[ccy1][ccy2] FX Fixing] <i>[specify]</i></td> <td>[[Equal to or] greater than ● [or][and] [[[Equal to or] less than ●]</td> <td><i>[specify]</i></td> </tr> <tr> <td><i>[repeat as required]</i></td> <td><i>[repeat as required]</i></td> <td><i>[repeat as required]</i></td> </tr> </tbody> </table> <p>In the event that for any day on which interest otherwise would accrue on a range accrual note, the underlyer daily fixing for any underlyer falls outside of its respective accrual range, no interest will accrue for such day. Therefore, you could receive no interest payments for any interest periods applicable to your note. Even if you receive some interest payments on some or all of the interest payment dates, the overall return you earn on your notes may be less than you would have earned by investing in a non-range accrual debt security of a comparable maturity that bears interest at a prevailing market rate.</p>	Underlyers	Accrual Range	Underlyer Daily Fixings	[LIBOR] [EURIBOR] [AUD BBSW] [[ccy1][ccy2] FX Fixing] <i>[specify]</i>	[[Equal to or] greater than ● [or][and] [[[Equal to or] less than ●]	<i>[specify]</i>	<i>[repeat as required]</i>	<i>[repeat as required]</i>	<i>[repeat as required]</i>
Underlyers	Accrual Range	Underlyer Daily Fixings									
[LIBOR] [EURIBOR] [AUD BBSW] [[ccy1][ccy2] FX Fixing] <i>[specify]</i>	[[Equal to or] greater than ● [or][and] [[[Equal to or] less than ●]	<i>[specify]</i>									
<i>[repeat as required]</i>	<i>[repeat as required]</i>	<i>[repeat as required]</i>									
C.11	Admission to Trading	Application has been made to the Luxembourg Stock Exchange for notes issued under the Series F and Series G euro medium-term notes programs to be listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange. Notes issued under one of those programs may also be listed on an alternative stock exchange or may not be listed at all. The Goldman Sachs Group, Inc. is under no obligation to maintain the listing of any notes that are listed.									
C.21	Admission to Trading	<i>[Insert if Annex XIII is applicable]</i> The notes will be admitted to trading on the [Luxembourg Stock Exchange / <i>specify other</i> ].									

Section D—Risks		
Element	Disclosure requirement	Disclosure
D.2	Key information on the key risks that are specific to the Issuer and the Group	<p>In purchasing notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the notes. Identified below are a number of factors which could materially adversely affect the Issuer's business and ability to make payments due under the notes. These factors include the following key risks of the Group:</p> <ul style="list-style-type: none"> <li>• The Group's businesses have been and may continue to be adversely affected by conditions in the global financial markets and economic conditions generally.</li> <li>• The Group's businesses have been and may be adversely affected by declining asset values. This is particularly true for those businesses in which it has net "long" positions, receives fees based on the value of assets</li> </ul>

<b>Section D—Risks</b>		
<b>Element</b>	<b>Disclosure requirement</b>	<b>Disclosure</b>
		<p>managed, or receives or posts collateral.</p> <ul style="list-style-type: none"> <li>• The Group's businesses have been and may be adversely affected by disruptions in the credit markets, including reduced access to credit and higher costs of obtaining credit.</li> <li>• The Group's market-making activities have been and may be affected by changes in the levels of market volatility.</li> <li>• The Group's investment banking, client execution and investment management businesses have been adversely affected and may continue to be adversely affected by market uncertainty or lack of confidence among investors and CEOs due to general declines in economic activity and other unfavorable economic, geopolitical or market conditions.</li> <li>• The Group's investment management business may be affected by the poor investment performance of its investment products.</li> <li>• The Group may incur losses as a result of ineffective risk management processes and strategies.</li> <li>• The Group's liquidity, profitability and businesses may be adversely affected by an inability to access the debt capital markets or to sell assets or by a reduction in its credit ratings or by an increase in its credit spreads.</li> <li>• Conflicts of interest are increasing and a failure to appropriately identify and address conflicts of interest could adversely affect the Group's businesses.</li> <li>• The Issuer is a holding company and is dependent for liquidity on payments from its subsidiaries, many of which are subject to restrictions.</li> <li>• The Group's businesses, profitability and liquidity may be adversely affected by deterioration in the credit quality of, or defaults by, third parties who owe the Group money, securities or other assets or whose securities or obligations it holds.</li> <li>• Concentration of risk increases the potential for significant losses in the Group's market-making, underwriting, investing and lending activities.</li> <li>• The financial services industry is highly competitive.</li> <li>• The Group faces enhanced risks as new business initiatives lead it to transact with a broader array of clients and counterparties and exposes it to new asset classes and new markets.</li> <li>• Derivative transactions and delayed settlements may expose the Group to unexpected risk and potential losses.</li> <li>• The Group's businesses may be adversely affected if it is unable to hire and retain qualified employees.</li> <li>• The Group's businesses and those of its clients are subject to extensive and pervasive regulation around the world.</li> <li>• The Group may be adversely affected by increased governmental and regulatory scrutiny or negative publicity.</li> <li>• A failure in the Group's operational systems or infrastructure, or those of third parties, could impair the Group's liquidity, disrupt its businesses, result in the disclosure of confidential information, damage its reputation and cause losses.</li> <li>• Substantial legal liability or significant regulatory action against the Group could have material adverse financial effects or cause significant reputational harm, which in turn could seriously harm the Group's business prospects.</li> <li>• The growth of electronic trading and the introduction of new trading technology may adversely affect the Group's business and may increase competition.</li> <li>• The Group's commodities activities, particularly its power generation interests and physical commodities activities, subject the Group to extensive regulation, potential catastrophic events and environmental, reputational and other risks that may expose it to significant liabilities and costs.</li> <li>• In conducting its businesses around the world, the Group is subject to political, economic, legal, operational and other risks that are inherent in operating in many countries.</li> <li>• The Group may incur losses as a result of unforeseen or catastrophic events, including the emergence of a pandemic, terrorist attacks, extreme</li> </ul>

**Section D—Risks**

Element	Disclosure requirement	Disclosure
		weather events or other natural disasters.
D.3	Key information on the risks specific to the Notes	<p>There are also risks associated with the notes. These include:</p> <ul style="list-style-type: none"> <li>• The notes we may issue are not insured by the Federal Deposit Insurance Corporation.</li> <li>• Any notes we may issue may not have an active trading market.</li> <li>• Changes in interest rates are likely to affect the market price of any notes we may issue.</li> <li>• The market price of any notes we may issue may be influenced by many unpredictable factors and if you buy a note and sell it prior to the stated maturity date, you may receive less than the face amount of your note.</li> <li>• Changes in our credit ratings may affect the market price of a note.</li> <li>• We cannot advise you of all of the non-U.S. tax consequences of owning or trading any notes we may issue.</li> <li>• Unless others specified in the applicable final terms, we will not compensate holders if we have to deduct taxes from payments on any notes we may issue or if information about holders or any payment on the notes is required to be reported.</li> <li>• If we redeem your notes or make an adjustment upon a change in law, you may receive less than your initial investment.</li> <li>• If your final terms specify that we have the right to redeem your note at our option, the value of your notes may be adversely affected.</li> <li>• Our business activities may create conflicts of interest between you and us.</li> <li>• As calculation agent, Goldman Sachs International will have the authority to make determinations that could affect the market price of a floating rate note or a range accrual note, when the note matures and the amount payable at maturity.</li> </ul> <p>There are also particular risks associated with range accrual notes. These include:</p> <ul style="list-style-type: none"> <li>• The return on range accrual notes may be below the return on similar securities.</li> <li>• The issuer of a currency that serves as an underlying could take actions that may adversely affect a range accrual note.</li> <li>• A range accrual note may be linked to a volatile underlying, which may adversely affect an investment.</li> <li>• If the level of one or more underlyers daily fixing on the underlying daily fixing date applicable to any calendar day falls outside of the accrual range for that underlying, no interest will accrue for such day for the range accrual note.</li> <li>• Historical levels for the underlying or underlyers of a range accrual note are not indicative of future levels.</li> </ul> <p>There are also particular risks associated with notes issued in a currency other than U.S. dollars. These include:</p> <ul style="list-style-type: none"> <li>• Changes in foreign currency exchange rates can be volatile and unpredictable.</li> <li>• Government policy can adversely affect foreign currency exchange rates and an investment in a foreign currency note.</li> <li>• Non-U.S. dollar notes will permit us to make payments in U.S. Dollars or delay payment if we are unable to obtain such other currency.</li> <li>• We will not adjust any notes to compensate for changes in foreign currency exchange rates.</li> <li>• In a lawsuit for payment on a non-U.S. dollar note, an investor may bear foreign currency exchange risk.</li> <li>• Determinations made by the exchange rate agent are made at its sole discretion.</li> </ul> <p>There are also particular risks associated with notes linked to LIBOR Underlyers:</p> <ul style="list-style-type: none"> <li>• Increased regulatory oversight and changes in the method pursuant to which the LIBOR rates are determined may adversely affect the value of your notes.</li> </ul>

<b>Section E—Offer</b>																								
<b>Element</b>	<b>Disclosure requirement</b>	<b>Disclosure</b>																						
E.2b	Reason for offer, use of proceeds and net amount of proceeds	We intend to use the net proceeds from the sale of the notes to provide additional funds for our operations and for other general corporate purposes.																						
E.3	Terms and conditions of the offer	<p>[The notes are being offered to [specify]].</p> <p>The terms and conditions of each offer of notes will be determined by the Issuer and at the time of issue.</p> <p>[Not Applicable. The notes are in denominations of at least €100,000 (or its equivalent in any other currency).]</p> <p>[An Investor intending to acquire or acquiring any notes from an Offerer other than the Issuer will do so, and offers and sales of notes to an Investor by such Offerer will be made, in accordance with any terms and other arrangements in place between such Offerer and such Investor including as to price, allocations and settlement arrangements.]</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Offer Price:</td> <td>[Issue Price] / [Not applicable] / [specify]</td> </tr> <tr> <td>Conditions to which the offer is subject:</td> <td>[Not applicable] / [specify]</td> </tr> <tr> <td>Offer Period:</td> <td>[Not applicable] / [specify]</td> </tr> <tr> <td>Description of the application process:</td> <td>[Not applicable] / [specify]</td> </tr> <tr> <td>Details of the minimum and/or maximum amount of application:</td> <td>[Not applicable] / [specify]</td> </tr> <tr> <td>Description of possibility to reduce subscriptions and manner for refunding excess amount paid by the applicants:</td> <td>[Not applicable] / [specify]</td> </tr> <tr> <td>Details of the method and manner and date in which results of the offer are to be made public</td> <td>[Not applicable] / [specify]</td> </tr> <tr> <td>Procedure for exercise of any right of pre-emption, negotiability and subscription rights and treatment of the subscription rights not exercised:</td> <td>[Not applicable] / [specify]</td> </tr> <tr> <td>Whether tranche (s) have been reserved for certain countries:</td> <td>[Not applicable] / [specify]</td> </tr> <tr> <td>Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:</td> <td>[Not applicable] / [specify]</td> </tr> <tr> <td>Amount of any expenses and taxes specifically charged to the subscriber or purchaser</td> <td>[Not applicable] / [specify]</td> </tr> </table>	Offer Price:	[Issue Price] / [Not applicable] / [specify]	Conditions to which the offer is subject:	[Not applicable] / [specify]	Offer Period:	[Not applicable] / [specify]	Description of the application process:	[Not applicable] / [specify]	Details of the minimum and/or maximum amount of application:	[Not applicable] / [specify]	Description of possibility to reduce subscriptions and manner for refunding excess amount paid by the applicants:	[Not applicable] / [specify]	Details of the method and manner and date in which results of the offer are to be made public	[Not applicable] / [specify]	Procedure for exercise of any right of pre-emption, negotiability and subscription rights and treatment of the subscription rights not exercised:	[Not applicable] / [specify]	Whether tranche (s) have been reserved for certain countries:	[Not applicable] / [specify]	Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not applicable] / [specify]	Amount of any expenses and taxes specifically charged to the subscriber or purchaser	[Not applicable] / [specify]
Offer Price:	[Issue Price] / [Not applicable] / [specify]																							
Conditions to which the offer is subject:	[Not applicable] / [specify]																							
Offer Period:	[Not applicable] / [specify]																							
Description of the application process:	[Not applicable] / [specify]																							
Details of the minimum and/or maximum amount of application:	[Not applicable] / [specify]																							
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by the applicants:	[Not applicable] / [specify]																							
Details of the method and manner and date in which results of the offer are to be made public	[Not applicable] / [specify]																							
Procedure for exercise of any right of pre-emption, negotiability and subscription rights and treatment of the subscription rights not exercised:	[Not applicable] / [specify]																							
Whether tranche (s) have been reserved for certain countries:	[Not applicable] / [specify]																							
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not applicable] / [specify]																							
Amount of any expenses and taxes specifically charged to the subscriber or purchaser	[Not applicable] / [specify]																							
E.4	Interest of natural and legal persons involved in the issue/offer	<p>Commissions of [up to] [*] per cent of the principal amount of the notes to [name] in connection with the sale of the notes.</p> <p>The agent may resell any notes it purchases as principal to other brokers or dealers at a discount, which may include all or part of the discount the agent received from us. If all the notes are not sold at the initial offering price, the agent may change the offering price and the other selling terms.</p> <p>Any agent and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for us and our affiliates in the ordinary course of business.</p>																						
E.7	Expenses charged to the investor by the Issuer or an offeror	[Not Applicable - No expenses will be charged to investors by the Issuer.] / [specify.]																						



## RISK FACTORS

### Certain Factors That May Affect Our Business

For a discussion of certain factors affecting our business, see “Risk Factors” in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2012 (pp. 24-37), which is incorporated by reference into this European base prospectus, or the corresponding section of any future Annual Report on Form 10-K or Quarterly Report on Form 10-Q filed by us, which may be incorporated by reference into a supplement to the European base prospectus.

### Considerations Relating to Notes Generally

#### ***The Notes We May Issue Are Not Insured by the Federal Deposit Insurance Corporation***

None of the notes offered hereby will be a deposit insured or guaranteed by the Federal Deposit Insurance Corporation (“FDIC”) or any other government authority. The Series F euro medium-term notes will rank *pari passu* with all other unsecured and unsubordinated indebtedness of The Goldman Sachs Group, Inc. The Series G subordinated euro medium-term notes will rank junior in right of payment to the senior indebtedness of The Goldman Sachs Group Inc., including the Series F euro medium-term notes.

#### ***Any Notes We May Issue May Not Have an Active Trading Market***

Even if your notes are listed on a stock exchange, a secondary market for any notes we may issue is unlikely to develop. Even if a secondary market for a note develops, it may not provide significant liquidity and we and/or our affiliates have no obligation to make a market with respect to the note and make no commitment to make a market in or repurchase the note. We expect that transaction costs in any secondary market would be high. As a result, the difference between bid and asked prices for the note in any secondary market could be substantial.

#### ***Changes in Interest Rates Are Likely to Affect the Market Price of Any Notes We May Issue***

We expect that the market price of any notes we may issue will be affected by changes in interest rates, although these changes may affect such notes and a traditional debt security to different degrees. In general, if interest rates increase, we expect that the market value of a fixed income instrument which paid interest payments and an amount equal to the outstanding face amount of a note you may purchase on the same schedule as that note would decrease, whereas if interest rates decrease, we expect that the market value of such a fixed income instrument would increase.

#### ***The Market Price of Any Notes We May Issue May Be Influenced by Many Unpredictable Factors and If You Buy a Note and Sell It Prior to the Stated Maturity Date, You May Receive Less Than the Face Amount of Your Note***

The following factors, most of which are beyond our control, will influence the market price of any notes we may issue:

- economic, military, financial, regulatory, political, terrorist and other events that affect securities generally;
- interest and yield rates in the market;
- the time remaining until a note matures; and
- our creditworthiness, whether actual or perceived, and including actual or anticipated upgrades or downgrades in our credit ratings or changes in other credit measures;

- in the case of a range accrual note, the level of the relevant underlying or underlyers and the volatility – *i.e.*, the frequency and magnitude of changes in the level of the relevant underlying or underlyers.

As a result of these and other factors, if you buy a note and sell it prior to maturity, you may receive less than the outstanding face amount of your note. Moreover, these factors interrelate in complex ways, and the effect of one factor may offset or enhance the effect of another factor.

### ***Changes in Our Credit Ratings May Affect the Market Price of a Note***

Our credit ratings are an assessment of our ability to pay our obligations, including those on any notes we may issue. Consequently, actual or anticipated changes in our credit ratings may affect the market price of a note. However, because the return on a note is typically dependent upon certain factors in addition to our ability to pay our obligations on the note, an improvement in our credit ratings will not reduce the other investment risks related to any such notes.

The following table sets forth our unsecured credit ratings as of the date of this European base prospectus:

	<b>Short-Term Debt</b>	<b>Long-Term Debt</b>	<b>Subordinated Debt</b>	<b>Preferred Stock</b>
<b>Dominion Bond Rating Service</b>				
Limited <sup>1)</sup> .....	R-1 (middle) <sup>6)</sup>	A (high) <sup>7)</sup>	A <sup>7)</sup>	BBB <sup>8)</sup>
Fitch, Inc. <sup>2)</sup> .....	F1 <sup>9)</sup>	A <sup>10)</sup>	A- <sup>10)</sup>	BB+ <sup>11)</sup>
Moody's Investors Service <sup>3)</sup> .....	P-2 <sup>12)</sup>	A3 <sup>13)</sup>	Baa1 <sup>14)</sup>	Ba2 <sup>15)</sup>
Standard & Poor's <sup>4)</sup> .....	A-2 <sup>16)</sup>	A- <sup>17)</sup>	BBB+ <sup>18)</sup>	BB+ <sup>19)</sup>
Rating and Investment Information, Inc. <sup>5)</sup> .....	a-1 <sup>20)</sup>	A+ <sup>21)</sup>	N/A	N/A

<sup>1)</sup> All rating categories other than AAA and D also contain subcategories “(high)” and “(low)”. The absence of either a “(high)” or “(low)” designation indicates the rating is in the middle of the category.

<sup>2)</sup> The modifiers “+” or “-” may be appended to a rating to denote relative status within major rating categories. Such suffixes are not added to the “AAA” Long-Term Rating category, or categories below “B”.

<sup>3)</sup> Moody’s appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

<sup>4)</sup> Ratings from “AA” to “CCC” may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

<sup>5)</sup> A plus (+) or minus (-) sign may be appended to the categories from AA to CCC to indicate relative standing within each rating category. The plus and minus signs are part of the rating symbols.

<sup>6)</sup> Superior credit quality. The capacity for the payment of short-term financial obligations as they fall due is very high. Differs from R-1 (high) by a relatively modest degree. Unlikely to be significantly vulnerable to future events.

<sup>7)</sup> Good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. May be vulnerable to future events, but qualifying negative factors are considered manageable.

<sup>8)</sup> Adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.

<sup>9)</sup> Highest short-term credit quality. Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added “+” to denote any exceptionally strong credit feature.

<sup>10)</sup> High credit quality. “A” ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

<sup>11)</sup> Speculative. “BB” ratings indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time.

<sup>12)</sup> Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

<sup>13)</sup> Obligations rated A are considered upper-medium grade and are subject to low credit risk.

<sup>14)</sup> Obligations rated Baa are subject to moderate credit risk. They are considered medium grade and as such may possess certain speculative characteristics.

<sup>15)</sup> Obligations rated Ba are judged to have speculative elements and are subject to substantial credit risk.

<sup>16)</sup> A short-term obligation rated “A-2” is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor’s capacity to meet its financial commitment on the obligation is satisfactory.

<sup>17)</sup> An obligation rated “A” is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor’s capacity to meet its financial commitment on the obligation is still strong.

<sup>18)</sup> An obligation rated “BBB” exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

<sup>19)</sup> An obligation rated “BB” is less vulnerable to non-payment than other speculative issues. However, it faces major on-going uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor’s inadequate capacity to meet its financial commitment on the obligation.

<sup>20)</sup> Certainty of the fulfillment of a short-term obligation is high.

<sup>21)</sup> High creditworthiness supported by a few excellent factors.

A rating is not a recommendation to buy, sell or hold any of our securities. Any or all of these ratings are subject to revision or withdrawal at any time by the assigning rating organization. Each rating should be evaluated independently of any other rating.

The specific meaning of each of the credit ratings is set out by the relevant credit ratings agency in the applicable web site, as follows: for Dominion Bond Rating Service Limited, see <http://www.dbrs.com/ratingPolicies/list/name/rating+scales>; for Fitch, Inc., see [http://www.fitchratings.com/web\\_content/ratings/fitch\\_ratings\\_definitions\\_and\\_scales.pdf](http://www.fitchratings.com/web_content/ratings/fitch_ratings_definitions_and_scales.pdf); for Moody's Investors Service, see [http://www.moody.com/researchdocumentcontentpage.aspx?docid=PBC\\_79004](http://www.moody.com/researchdocumentcontentpage.aspx?docid=PBC_79004); for Standard & Poor's, see <http://www.standardandpoors.com/ratings/definitions-and-faqs/en/us> and for Rating and Investment Information, Inc., see <http://www.r-i.co.jp/eng/cfp/about/definition.html>.

***We Cannot Advise You of All of the Non-U.S. Tax Consequences of Owning or Trading Any Notes We May Issue***

Because you are a U.S. alien holder, you should consult your own legal and tax advisors with respect to the tax characterization of any notes we may issue in your taxing jurisdiction. For a summary of the principal U.S. federal income and estate tax consequences of notes to a U.S. alien holder, see "Taxation — United States Taxation" below.

***Unless Otherwise Specified in the Applicable Final Terms, We Will Not Compensate Holders If We Have to Deduct Taxes from Payments on Any Notes We May Issue or If Information About Holders or Any Payment on the Notes is Required to Be Reported***

With certain exceptions, as of the date of this European base prospectus, payments on any notes we may issue are not subject to U.S. federal withholding or other tax provided that the holder is a U.S. alien holder. Withholding from payments on a note may be required if a holder fails to provide a completed Internal Revenue Service Form W-8BEN. See the section entitled "Taxation — United States Taxation" below for more information.

Unless otherwise specified in the applicable final terms, we will not gross up any payments due on the notes and we will not compensate holders for any amount that may be withheld or due because of tax law changes with regard to withholding tax. If specified in the applicable final terms, during the term of the note, whether or not due to a change in law, if any withholding or other tax, assessment or other governmental charge is imposed on payments on the note by the United States or any other jurisdiction or any political subdivision or taxing authority thereof or therein (including any payment upon redemption, repurchase or stated maturity of a note), and we are required to deduct that tax, charge or assessment from any payment we make on the note (including any payment upon redemption, repurchase or stated maturity of a note), we will make that payment only after making such deduction and will not pay holders any additional amounts to compensate them for the deduction.

Consequently, if you purchase a note in these circumstances and a deduction is required to be made, you will receive less than what you would otherwise have been entitled to receive as payment on your note on the stated maturity date. We cannot predict whether any such changes in law will occur during the term of any notes we may issue and, if they do occur, the amounts that may have to be deducted.

***Foreign Account Tax Compliance Act (FATCA) Withholding May Apply to Payments on your Notes, Including as a Result of the Failure of the Bank or Broker Through Which You Hold the Notes to Provide Information to Tax Authorities.***

Your notes could be subject to a U.S. withholding tax of 30% under a law (commonly known as "FATCA") that was enacted in 2010. This tax could apply if you or any non-U.S. person or entity that receives a payment on your behalf (including a paying/fiscal agent, clearing system, bank, custodian, broker or other payee, at any point in the series of payments made on your notes) do not comply with the U.S. information reporting, withholding, identification, certification, and related requirements imposed by

FATCA. The payments potentially subject to this withholding tax include interest (including original issue discount) and other periodic payments as well as payments made upon maturity, redemption, or sale of certain securities.

You should consult your own tax advisors regarding the relevant U.S. law and other official guidance on FATCA. You could be affected by this withholding if, for example, your bank or broker through which you hold the notes is subject to withholding because it fails to comply with these requirements. This might be the case even if you would not otherwise have been directly subject to withholding. Accordingly, you should consult your bank or broker about the likelihood that payments to it (for credit to you) will become subject to withholding in the payment chain.

The withholding tax described above could apply to all interest and other periodic payments on the notes starting January 1, 2014. In addition, the withholding tax described above could apply to payments upon the maturity, redemption or sale of certain notes on or after January 1, 2017. Notes issued and outstanding as of December 31, 2013 generally should not be subject to this withholding tax, provided that after 2013 the terms of the notes are not modified in a way that would cause the notes to be treated as reissued for U.S. tax purposes.

We will not pay any additional amounts in respect of this withholding tax, so if this withholding applies, you will receive significantly less than the amount that you would have otherwise received with respect to your notes. Depending on your circumstances, you may be entitled to a refund or credit in respect of some or all of this withholding. However, the refund application process has not yet been finalized, so even if you are entitled to have any such withholding refunded, the required procedures could be cumbersome. For more information, see “Taxation — United States Taxation – Foreign Account Tax Compliance Withholding (FATCA)”.

In addition, your notes may also be subject to other U.S. withholding tax as described in “Taxation — United States Taxation”.

***If We Redeem Your Notes or Make an Adjustment upon a Change in Law, You May Receive Less than Your Initial Investment***

If we determine that performance under the notes has become unlawful or impractical in whole or in part for any reason, we may cancel such notes and, if permitted by applicable law, pay the purchaser of such notes an amount equal to the non-scheduled repayment amount of such notes notwithstanding such illegality, as determined by the calculation agent in its sole and absolute discretion. The non-scheduled repayment amount may be less than if you were to reinvest the redemption proceeds at any effective interest rate as high as the interest rate or yield on the notes being redeemed and you may only be able to do so at a significantly lower rate. You should consider reinvestment risk in light of other investments available at that time.

In addition, the calculation agent may make an adjustment to the terms if a change in law has occurred. The adjustments may result in the amount payable at maturity being reduced to or being valued at an amount less than your initial investment.

***If Your Final Terms Specify That We Have the Right to Redeem Your Note at Our Option, the Value of Your Notes May Be Adversely Affected.***

Your final terms may specify that we have the right to redeem your note at our option. Even if we do not exercise this option, our ability to do so may adversely affect the value of your notes.

**Considerations Relating to Range Accrual Notes**

Range accrual notes may present a high level of risk. In addition, the treatment of range accrual notes for U.S. federal income tax purposes is often unclear due to the absence of any authority specifically addressing the issues presented by any particular range accrual note. Thus, if you propose to invest in range accrual notes, you should independently evaluate the federal income tax consequences of

purchasing range accrual note that apply in your particular circumstances. You should also read “Taxation — United States Taxation” below for a discussion of U.S. tax matters.

***The Return on Range Accrual Notes May Be Below the Return on Similar Securities***

Depending on the terms of a range accrual note, as specified in the applicable final terms, you may not receive any periodic interest payments or receive only very low payments on the note. As a result, the overall return on a note may be less than the amount you would have earned by investing the face amount of a note in a non-range accrual debt security that bears interest at a prevailing market fixed or floating rate.

***The Issuer of a Currency That Serves as an Underlyer Could Take Actions That May Adversely Affect a Range Accrual Note***

If the underlyer or underlyers for a range accrual note includes a non-U.S. dollar currency or other asset denominated in a non-U.S. dollar currency, the government that issues that currency will have no involvement in the offer and sale of the range accrual note and no obligations to the holder of that note. That government may take actions that could adversely affect the value of such note. See “— Considerations Relating to Notes Denominated or Payable in or Linked to Currencies Other Than Your Own Principal Currency — Government Policy Can Adversely Affect Foreign Currency Exchange Rates and an Investment in a Foreign Currency Note” below for more information about these kinds of notes.

***A Range Accrual Note May Be Linked to a Volatile Underlyer, Which May Adversely Affect an Investment***

Some underlyers are highly volatile, which means that their value may change significantly, up or down, over a short period of time. It is impossible to predict the future performance of an underlyer based on its historical performance. The amount of interest that can be expected to become payable on a range accrual note may vary substantially from time to time. Because the amount of interest payable on a range accrual note is generally calculated based on the value of the relevant underlyer on a specified date or over a limited period of time, volatility in the underlyer increases the risk that the return on a range accrual note may be adversely affected by a fluctuation in the level of the relevant underlyer.

The volatility of an underlyer may be affected by financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the value of a range accrual note.

***If the Level of the Underlyer Daily Fixing on the Underlyer Daily Fixing Date Applicable to Any Calendar Day Falls Outside of the Accrual Range for that Underlyer, No Interest Will Accrue for Such Day for the Range Accrual Note***

Because of the formula we use to calculate the interest rate applicable to range accrual notes, in the event that for any day on which interest otherwise would accrue on a range accrual note the underlyer daily fixing for any underlyer, calculated as of the applicable underlyer daily fixing date, falls outside of its respective accrual range, no interest will accrue for such day. Therefore, if the level of at least one underlyer daily fixing falls outside of its respective accrual range for each day in the interest calculation period, you will receive no interest payment for such period. Even if you receive some interest payments on some or all of the interest payment dates, the overall return you earn on your notes may be less than you would have earned by investing in a non-range accrual debt security of a comparable maturity that bears interest at a prevailing market rate.

If the interest payments on a range accrual note are linked to a foreign currency exchange rate or rates, if any currency that is a component of such rate appreciates or depreciates, as the case may be, against the other currency that is a component of such foreign currency exchange rate, to a level where the applicable foreign currency exchange rate falls outside of its respective accrual range, your note will not accrue interest on such days. Even if you receive some interest payments on some or all of the interest payment dates, the overall return you earn on your notes may be less than you would have

earned by investing in a non-range accrual debt security of a comparable maturity that bears interest at a prevailing market rate.

***Historical Levels for the Underlyer or Underlyers of a Range Accrual Note are Not Indicative of Future Levels***

You should note that historical underlyer levels, fluctuations and trends are not necessarily indicative of future underlyer levels. Any historical upward or downward trend in underlyer levels is not an indication that the levels of the underlyer or underlyers are more or less likely to increase or decrease at any time during the life of a range accrual note, and you should not take historical underlyer levels as an indication of future performance.

**Considerations Relating to the Role of The Goldman Sachs Group, Inc. and Its Affiliates**

***Our Business Activities May Create Conflicts of Interest Between You and Us***

Goldman Sachs International and our other affiliates expect to engage in trading activities related to one or more of the underlyers included in a range accrual note that are not for your account or on your behalf. These trading activities may present a conflict between your interest in a range accrual note and the interests Goldman Sachs International or our other affiliates have in their proprietary accounts, in facilitating transactions.

**As Calculation Agent, Goldman Sachs International Will Have the Authority to Make Determinations That Could Affect the Market Price of a Floating Rate Note or a Range Accrual Note or When a Note Matures**

As calculation agent, Goldman Sachs International will have discretion in making various determinations that affect the market price of a floating rate note and a range accrual note, including all determinations regarding the relevant underlyer or underlyers, any market disruption events, observation dates, any other factors or events relevant to the calculation of amounts dependent on the performance of the underlyer or underlyers, business days, if applicable, interest amounts and interest payment dates, and the stated maturity which could adversely affect the market price for the note and may present Goldman Sachs International with a conflict of interest of the kind described above under “— Our Business Activities May Create Conflicts of Interest Between You and Us”.

**Considerations Relating to Notes Denominated or Payable in or Linked to Currencies Other Than Your Own Principal Currency**

If you intend to invest in a note whose principal and/or interest is payable in a currency other than your own principal currency, which we refer to as a “foreign currency”, or a note that may be settled by delivery of or reference to a foreign currency or property denominated in or otherwise linked to a foreign currency, you should consult your own financial, tax and legal advisors as to the currency risks entailed by your investment. Notes of this kind may not be an appropriate investment for investors who are unsophisticated with respect to foreign currency transactions.

***An Investment in a Foreign Currency Note Involves Currency-Related Risks***

An investment in a note denominated in a foreign currency may entail significant risks that may not be associated with a similar investment in a note payable solely in your own principal currency. These risks include the possibility of significant changes in rates of exchange between your currency and the various foreign currencies or composite currencies and the possibility of the imposition or modification of foreign exchange controls or other conditions by foreign governments. These risks generally depend on factors over which we have no control, such as financial, economic, military and political events and the supply of and demand for the relevant currencies in the global markets.

### ***Changes in Foreign Currency Exchange Rates Can Be Volatile and Unpredictable***

Rates of exchange between currencies have been highly volatile, and this volatility may continue and perhaps spread to other currencies in the future. Fluctuations in currency exchange rates could adversely affect an investment in a note denominated in, or whose value is otherwise linked to, a foreign currency. Depreciation of the specified currency against your own principal currency could result in a decrease in the market value of your note, including the principal payable at maturity. That in turn could cause the market value of your note to fall. Depreciation of the foreign currency against your own principal currency could result in a decline in the market value of your note.

### ***Government Policy Can Adversely Affect Foreign Currency Exchange Rates and an Investment in a Foreign Currency Note***

Foreign currency exchange rates can either float or be fixed by sovereign governments. From time to time, governments use a variety of techniques, such as intervention by a country's central bank or imposition of regulatory controls or taxes, to affect the exchange rate of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or exchange characteristics by devaluation or revaluation of a currency. Thus, a special risk in purchasing foreign currency notes may be that their yields or payouts could be significantly and unpredictably affected by governmental actions. Even in the absence of governmental action directly affecting foreign currency exchange rates, political, military or economic developments in the country issuing the specified foreign currency for a note or elsewhere could lead to significant and sudden changes in the foreign currency exchange rate between the foreign currency and your principal currency. These changes could affect your principal currency equivalent value of the note as participants in the global currency markets move to buy or sell the foreign currency or your own principal currency in reaction to these developments.

Governments have imposed from time to time and may in the future impose exchange controls or other conditions, including taxes, with respect to the exchange or transfer of a specified currency that could affect exchange rates as well as the availability of a specified currency for a note at its maturity or on any other payment date. In addition, the ability of a holder to move currency freely out of the country in which payment in the currency is received or to convert the currency at a freely determined market rate could be limited by governmental actions.

### ***Non-U.S. Dollar Notes Will Permit Us to Make Payments in U.S. Dollars or Delay Payment If We Are Unable to Obtain the Specified Currency***

Notes payable in a currency other than U.S. dollars will provide that, if the other currency is not available to us at or about the time when a payment on the notes comes due because of circumstances beyond our control, we will be entitled to make the payment in U.S. dollars or delay making the payment. These circumstances could include the imposition of exchange controls or our inability to obtain the other currency because of a disruption in the currency markets. If we made payment in U.S. dollars, the exchange rate we would use would be based on the most recently available noon buying rate in New York City for cable transfers of the other currency, available from the Federal Reserve Bank of New York. The most recently available rate may be for a date substantially before the payment date. A determination of this kind may be based on limited information and would involve significant discretion on the part of the exchange rate agent, as specified in the applicable final terms. As a result, the value of the payment in U.S. dollars an investor would receive on the payment date may be less than the value of the payment the investor would have received in the other currency if it had been available, or may be zero. These matters are discussed under "General Note Conditions — Features Common to All Notes — Currency of Notes" and "General Note Conditions — Payment Mechanics for Notes" below. In addition, the unavailability of the specified non-U.S. currency will expose you to currency risks with respect to the U.S. dollar which would not have existed had the specified non-U.S. currency been available.

### ***We Will Not Adjust Any Notes to Compensate for Changes in Foreign Currency Exchange Rates***

Except as described above, we will not make any adjustment or change in the terms of any note in the event of any change in exchange rates for the relevant currency, whether in the event of any

devaluation, revaluation or imposition of exchange or other regulatory controls or taxes or in the event of other developments affecting that currency or any other currency. Consequently, investors in notes will bear the risk that their investment may be adversely affected by these types of events.

***In a Lawsuit for Payment on a Non-U.S. Dollar Note, an Investor May Bear Foreign Currency Exchange Risk***

The notes will be governed by New York law. Under Section 27 of the New York Judiciary Law, a state court in the State of New York rendering a judgment on a note denominated in a foreign currency other than U.S. dollars would be required to render the judgment in the specified currency; however, the judgment would be converted into U.S. dollars at the exchange rate prevailing on the date of entry of the judgment. Consequently, in a lawsuit for payment on a note denominated in a currency other than U.S. dollars, investors would bear currency exchange risk until judgment is entered, which could be a long time. You will therefore be exposed to currency risk with respect to both the U.S. dollar and, if applicable, the foreign currency.

In courts outside of New York, investors may not be able to obtain judgment in a specified currency other than U.S. dollars. For example, a judgment for money in an action based on a non-U.S. dollar note in many other U.S. federal or state courts ordinarily would be enforced in the United States only in U.S. dollars. The date used to determine the rate of conversion of the currency in which any particular note is denominated into U.S. dollars will depend upon various factors, including which court renders the judgment.

***Determinations Made By the Exchange Rate Agent Are Made At Its Sole Discretion***

All determinations made by the exchange rate agent shall be at its sole discretion (except to the extent it is expressly provided in this European base prospectus that any determination is subject to approval by us) and, in the absence of manifest error, shall be conclusive for all purposes and will bind all holders of the notes and us. The exchange rate agent will not have any liability for its determinations.

**Considerations Relating to Notes Linked to LIBOR Underlyers**

**Increased Regulatory Oversight and Changes in the Method Pursuant to Which the LIBOR Rates Are Determined May Adversely Affect the Value of Your Notes**

Beginning in 2008, concerns were raised that some of the member banks surveyed by the British Bankers' Association (the "BBA") in connection with the calculation of LIBOR across a range of maturities and currencies may have been under-reporting or otherwise manipulating the inter-bank lending rate applicable to them. A number of BBA member banks have entered into settlements with their regulators and law enforcement agencies with respect to alleged manipulation of LIBOR, and investigations were instigated by regulators and governmental authorities in various jurisdictions (including in the United States, United Kingdom, European Union, Japan and Canada). If manipulation of LIBOR or another inter-bank lending rate occurred, it may have resulted in that rate being artificially lower (or higher) than it otherwise would have been.

In September 2012, the U.K. government published the results of its review of LIBOR (commonly referred to as the "Wheatley Review"). The Wheatley Review made a number of recommendations for changes with respect to LIBOR including the introduction of statutory regulation of LIBOR, the transfer of responsibility for LIBOR from the BBA to an independent administrator, changes to the method of compilation of lending rates and new regulatory oversight and enforcement mechanisms for rate-setting. Based on the Wheatley Review, final rules for the regulation and supervision of LIBOR by the Financial Conduct Authority (the "FCA") were published and came into effect on April 2, 2013 (the "FCA Rules"). In particular, the FCA Rules include requirements that (1) an independent LIBOR administrator monitor and survey LIBOR submissions to identify breaches of practice standards and/or potentially manipulative behavior, and (2) firms submitting data to LIBOR establish and maintain a clear conflicts of interest policy and appropriate systems and controls.



It is not possible to predict the effect of the FCA Rules, any changes in the methods pursuant to which the LIBOR rates are determined and any other reforms to LIBOR that will be enacted in the U.K. and elsewhere, which may adversely affect the trading market for LIBOR-based securities. In addition, any changes announced by the FCA, the BBA or any other successor governance or oversight body, or future changes adopted by such body, in the method pursuant to which the LIBOR rates are determined may result in a sudden or prolonged increase or decrease in the reported LIBOR rates. If that were to occur and to the extent that the value of your securities is affected by reported LIBOR rates, the level of interest payments and the value of the securities may be affected. Further, uncertainty as to the extent and manner in which the Wheatley Review recommendations will continue to be adopted and the timing of such changes may adversely affect the current trading market for LIBOR-based securities and the value of your notes.

## DOCUMENTS INCORPORATED BY REFERENCE

The Goldman Sachs Group, Inc. files documents and information with the United States Securities and Exchange Commission, which we refer to as the “SEC”. The following documents, which The Goldman Sachs Group, Inc. has filed with the SEC, are hereby incorporated by reference into this European base prospectus:

- (1) the Annual Report on Form 10-K for the fiscal year ended December 31, 2012 (which we refer to as the 2012 Form 10-K), including Exhibit 21.1 thereto (which we refer to as the 2012 Exhibit 21.1), which we filed with the SEC on February 28, 2013;
- (2) the Current Report on Form 8-K dated March 14, 2013 (the “March 14 Form 8-K”), which we filed with the SEC on March 15, 2013;
- (3) the Proxy Statement relating to our 2013 Annual Meeting of Shareholders on May 23, 2013 (which we refer to as the 2013 Proxy Statement), which we filed with the SEC on April 12, 2013;
- (4) the Current Report on Form 8-K dated April 16, 2013 (File No. 001-14965) (which we refer to as the April 16 Form 8-K) which we filed with the SEC on April 16, 2013; and
- (5) the Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2013 (File No. 001-14965) (which we refer to as the 2013 First Quarter Form 10-Q), which we filed with the SEC on May 9, 2013;
- (6) the terms and conditions of the Notes contained on pages 32-100 of the base prospectus dated June 11, 2010;
- (7) the terms and conditions of the Notes contained on pages 33-102 of the base prospectus dated June 10, 2011;
- (8) the prospectus supplement dated October 19, 2011 to the base prospectus dated June 10, 2011; and
- (9) the terms and conditions of the Notes contained on pages 31-92 of the base prospectus dated June 8, 2012.

The Goldman Sachs Group, Inc. will provide without charge to each person to whom this European base prospectus is delivered, upon his or her written or oral request, a copy of any or all documents referred to above which have been incorporated by reference into this European base prospectus, excluding exhibits to those documents. Unless otherwise indicated, any exhibits to those documents are not incorporated by reference into, and do not form part of, this European base prospectus. The Goldman Sachs Group, Inc. has determined that any such exhibits not incorporated by reference into this European base prospectus are either not relevant for the investor or covered elsewhere in this European base prospectus. You can request those documents from Investor Relations, 200 West Street, New York, NY 10282, telephone +1 (212) 902-0300. In addition, such documents will be available free of charge from the Luxembourg listing agent, Banque Internationale à Luxembourg, *société anonyme*, from its principal office in Luxembourg. Our filings with the SEC are also available through the SEC’s website at <http://www.sec.gov>. In addition, the European base prospectus and any SEC filings incorporated by reference into this European base prospectus will be filed with the Commission de Surveillance du Secteur Financier, and the Luxembourg Stock Exchange will publish such documents on its website at <http://www.bourse.lu>.

The following table indicates where information required by the Prospectus Directive to be disclosed in, and incorporated by reference into, the European base prospectus can be found in the documents referred to above. The information incorporated by reference that is not included in the cross-reference

list, is considered as additional information and is not required by the relevant schedules of the Prospectus Regulation.

<b><u>Information required by the Prospectus Regulation</u></b>	<b><u>Document/Location</u></b>
Selected financial information for the fiscal years ended December 31, 2012, December 31, 2011 and December 31, 2010 ( <i>Annex IV, Section 3 of the Prospectus Regulation</i> )	2012 Form 10-K (p. 230)
Risk factors ( <i>Annex IV, Section 4 of the Prospectus Regulation</i> )	2012 Form 10-K (pp. 24-37)
Information about us	
History and development of our company ( <i>Annex IV, Section 5.1 of the Prospectus Regulation</i> )	2012 Form 10-K (p. 1)
Investments ( <i>Annex IV, Section 5.2 of the Prospectus Regulation</i> )	2012 Form 10-K (pp. 83-84) 2013 First Quarter Form 10-Q (pp. 148-149)
Business overview	
Our principal activities ( <i>Annex IV, Section 6.1 of the Prospectus Regulation</i> )	2012 Form 10-K (pp. 1-6, 8-22, 122)
Our principal markets ( <i>Annex IV, Section 6.2 of the Prospectus Regulation</i> )	2012 Form 10-K (pp. 1, 40, 45-46, 205-208)
Organizational structure ( <i>Annex IV, Section 7 of the Prospectus Regulation</i> )	2012 Form 10-K (p. 29 and Exhibit 21.1)
Trend information ( <i>Annex IV, Section 8 of the Prospectus Regulation</i> )	2012 Form 10-K (pp. 43-112) 2013 First Quarter Form 10-Q (pp. 112-114)
Administrative, management and supervisory bodies, including conflicts of interest ( <i>Annex IV, Section 10 of the Prospectus Regulation</i> )	2012 Form 10-K (p. 39) 2013 Proxy Statement (pp. 1, 4-5, 6-24, 70-73)
Audit committee ( <i>Annex IV, Section 11.1 of the Prospectus Regulation</i> )	2013 Proxy Statement (pp. 24, 60-61)
Beneficial owners of more than five per cent. ( <i>Annex IV, Section 12 of the Prospectus Regulation</i> )	2013 Proxy Statement (p. 75)
Financial information	
Audited historical financial information for the fiscal years ended December 31, 2012, December 31, 2011 and December 31, 2010 ( <i>Annex IV, Section 13.1-13.4 of the Prospectus Regulation</i> )	2012 Form 10-K (pp. 117-227)
Audit report ( <i>Annex IV, Section 13.1 of the Prospectus Regulation</i> )	2012 Form 10-K (p. 116)
Balance sheet ( <i>Annex IV, Section 13.1 of the Prospectus Regulation</i> )	2012 Form 10-K (p. 119)
Income statement ( <i>Annex IV, Section 13.1 of the Prospectus Regulation</i> )	2012 Form 10-K (pp. 117-118)
Cash flow statement ( <i>Annex IV, Section 13.1 of the Prospectus Regulation</i> )	2012 Form 10-K (p. 121)
Accounting policies and explanatory notes ( <i>Annex IV, Section 13.1 of the Prospectus Regulation</i> )	2012 Form 10-K (pp. 47-50, 122-227)
Financial or trading position ( <i>Annex IV, Section 13.7 of the Prospectus Regulation</i> )	2012 Form 10-K (pp. 117-227) April 16 Form 8-K (pp. 2-5)

Interim and other financial information ( <i>Annex IV, Section 13.5 of the Prospectus Regulation</i> )	2013 First Quarter Form 10-Q (pp. 2-110) April 16 Form 8-K (pp. 7-10)
Balance sheet ( <i>Annex IV, Section 13.5 of the Prospectus Regulation</i> )	2013 First Quarter Form 10-Q (p. 4)
Income statement ( <i>Annex IV, Section 13.5 of the Prospectus Regulation</i> )	2013 First Quarter Form 10-Q (pp. 2-3)
Cash flow statement ( <i>Annex IV, Section 13.5 of the Prospectus Regulation</i> )	2013 First Quarter Form 10-Q (p. 6)
Accounting policies and explanatory notes ( <i>Annex IV, Section 13.5 of the Prospectus Regulation</i> )	2013 First Quarter Form 10-Q (pp. 7-107)
Unaudited selected interim financial information ( <i>Annex IV, Section 3 of the Prospectus Regulation</i> )	2013 First Quarter Form 10-Q (pp. 2-110) April 17 Form 8-K (pp. 7-10)
Legal and arbitration proceedings ( <i>Annex IV, Section 13.6 of the Prospectus Regulation</i> )	2012 Form 10-K (pp. 38, 210-222) 2013 First Quarter Form 10-Q (pp. 95-107, 179)
Share capital ( <i>Annex IV, Section 14.1 of the Prospectus Regulation</i> )	2012 Form 10-K (pp. 119, 191-193) 2013 First Quarter Form 10-Q (pp. 4-5, 79-81)
Credit ratings ( <i>Annex V, Section 7.5 of the Prospectus Regulation</i> )	2012 Form 10-K (pp. 94-95) 2013 First Quarter Form 10-Q (pp. 159-160)

## INTRODUCTION

The Goldman Sachs Group, Inc. is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. Founded in 1869, we are one of the oldest and largest investment banking firms. Our headquarters are located at 200 West Street, New York, NY 10282, telephone +1 (212) 902-1000. We also maintain offices in all major financial centers around the world.

The Goldman Sachs Group, Inc. has entered into an agreement with Goldman Sachs International, an affiliate of The Goldman Sachs Group, Inc., under which Goldman Sachs International will, and other dealers may, act as agents for the placement, or purchase for resale, of notes issued by The Goldman Sachs Group, Inc.

## USE OF PROCEEDS

We intend to use the net proceeds from the sale of the notes to provide additional funds for our operations and for other general corporate purposes.

We will receive the net proceeds only from sales of the notes made in connection with their original issuance. We do not expect to receive any proceeds from resales of the notes by Goldman Sachs International or any of our other affiliates in market-making transactions. We expect our affiliates to retain the proceeds of their market-making resales and not to pay the proceeds to us.

## **GENERAL NOTE CONDITIONS**

### **Information About Our Series F Euro Medium-Term Notes and Series G Subordinated Euro Medium-Term Note Program**

#### **General Description of the Program**

When we refer to “notes” in this European base prospectus, unless otherwise indicated, we mean the Series F euro medium-term notes and the Series G Subordinated euro medium-term notes. The notes may be issued pursuant to this European base prospectus and the relevant final terms prepared in connection with a particular issuance of notes. The notes will not be secured by any property or assets. The Series F euro medium-term notes will not be subordinated to any of our other debt obligations. The Series G subordinated euro medium-term notes will rank junior in right of payment to our senior indebtedness, including the Series F euro medium-term notes. We may offer and sell these notes to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis.

#### **The Notes May Be Senior or Subordinated**

We may issue Series F euro medium-term notes or Series G subordinated euro medium-term notes. None of the Series F euro medium-term notes or the Series G subordinated euro medium-term notes will be secured by any property or assets of The Goldman Sachs Group, Inc. or its subsidiaries. Thus, by owning a note, you are one of our unsecured creditors.

The Series F euro medium-term notes will constitute part of our senior debt and will rank equally with all of our other unsecured and unsubordinated debt.

The Series G subordinated euro medium-term notes will constitute part of our subordinated debt and will be subordinated in right of payment to all of our senior indebtedness, as defined in “—Subordination Provisions” below.

#### **Each Series of Notes Will Be Issued Under a Fiscal Agency Agreement**

Each series of notes will be issued pursuant to a document called a fiscal agency agreement. Each fiscal agency agreement is a contract between The Goldman Sachs Group, Inc. and The Bank of New York Mellon, which acts as fiscal agent. The fiscal agent performs certain administrative duties for us. The fiscal agent does not act as an indenture trustee on your behalf.

#### **We May Issue Other Series of Debt Securities**

Each fiscal agency agreement permits us to issue different series of notes from time to time. Each of the Series F euro medium-term notes and the Series G subordinated euro medium-term notes will, respectively, be a single, distinct series of notes. We may, however, issue notes in such amounts, at such times and on such terms as we wish, provided that any tranche of notes issued under this European base prospectus will accord with the terms and conditions set out in this European base prospectus. The notes will differ from one another, and from other series, in their terms.

When we refer to the “notes” or “these notes”, unless otherwise indicated, we mean the Series F euro medium-term notes, and the Series G subordinated euro medium-term notes. When we refer to a “series” of notes, we mean a series, such as the notes, issued under one of our fiscal agency agreements. When we refer to an “issue” or an “issuance” of notes, we mean an issue of notes having the same terms and conditions, including any reopenings of that issuance.

## **Amounts That We May Issue**

Each fiscal agency agreement does not limit the aggregate amount of notes that we may issue. Nor does they limit the number of series or the aggregate amount of any particular series we may issue. Also, if we issue notes having the same terms in a particular offering, we may “reopen” that offering at any later time and offer additional notes having the same stated maturity date, interest payment dates, if any, and other terms, except for the date of issuance and issue price. See “— Form, Exchange, Registration and Transfer — Extensions for Further Issuances” below.

Each fiscal agency agreement and the notes do not limit our ability to incur other indebtedness or to issue other securities. Also, we are not subject to financial or similar restrictions by the terms of the notes or the fiscal agency agreement, except as described under “— Restriction on Liens” below.

## **Use of This European Base Prospectus in Market-Making Transactions**

Our affiliates may use this European base prospectus to resell notes in market-making transactions from time to time, including both notes that we have issued before the date of this European base prospectus and notes that we have not yet issued. See “Plan of Distribution” below. In this European base prospectus, the term “this offering” means the initial offering of the notes made in connection with their original issuance. This term does not refer to any subsequent resales of notes in market-making transactions.

## **We Are a Holding Company**

Because our assets consist primarily of interests in the subsidiaries through which we conduct our businesses, our right to participate as an equity holder in any distribution of assets of any of our subsidiaries upon the subsidiary’s liquidation or otherwise, and thus the ability of our note holders to benefit from the distribution, is junior to creditors of the subsidiary, except to the extent that any claims we may have as a creditor of the subsidiary are recognized. Many of our subsidiaries, including our broker-dealer, bank and insurance subsidiaries, are subject to laws that restrict dividend payments or authorize regulatory bodies to block or reduce the flow of funds from those subsidiaries to us. Restrictions or regulatory action of that kind could impede access to funds that we need to make payments on our obligations, including debt obligations. Because some of our subsidiaries, including Goldman, Sachs & Co., are partnerships in which we are a general partner or the sole limited partner, we may be liable for their obligations. We also guarantee many of the obligations of our subsidiaries. Any liability we may have for our subsidiaries’ obligations could reduce our assets that are available to satisfy our direct creditors, including investors in our notes.

## **Governing Law**

Each fiscal agency agreement and the notes will be governed by New York law.

## **This Section Is Only a Summarized Discussion of each Fiscal Agency Agreement and of Certain Terms of Your Note**

Each fiscal agency agreement, as applicable, and related documents, including your note, contain the full legal text of the matters described in this section and your final terms. A copy of the applicable fiscal agency agreement is available for inspection at the corporate trust office of the fiscal agent in the Borough of Manhattan, New York City and at the office of the paying agent listed at the end of this European base prospectus.

Investors should carefully read the description of the terms and provisions of the notes and the applicable fiscal agency agreement below. This section and your final terms summarize all the material terms of the applicable fiscal agency agreement and your note. They do not, however, describe every aspect of the applicable fiscal agency agreement and your note. For example, in this section entitled “General Note Conditions” and your final terms, we use terms that have been given special meaning in each fiscal agency agreement, but we describe the meaning of only the more important of those terms.

*As you read this section, please remember that each tranche of notes will be the subject of final terms which complete the general terms described in this section and elsewhere in this European base prospectus. The terms and conditions applicable to any particular tranche of notes are the general terms in this European base prospectus that apply to your notes, as completed by the relevant final terms.*

When we refer to your final terms, we mean the final terms describing the specific terms of the note you purchase. The terms we use in any final terms that we also use in this document will have the meaning we give them in this document.

## **Features Common to All Notes**

### **Form of Notes**

We will issue each note in registered form. If the notes are stated in the applicable final terms to be issued under NSS and that they are intended to be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations, then the notes will be registered in the name of a nominee for a common safekeeper for Euroclear and Clearstream, Luxembourg and we will deliver these notes to a common safekeeper for Euroclear and Clearstream, Luxembourg. Delivering the notes to a common safekeeper does not necessarily mean that the notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any time or all times during their life.

Global notes in registered form which are not issued under NSS will be deposited with, and registered in the name of a nominee of, a common depositary for Euroclear and Clearstream, Luxembourg or other clearing system as specified in the applicable final terms.

For a further discussion of global notes in registered form, see “— Form, Exchange, Registration and Transfer” below.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable final terms.

### **Principal Amount, Stated Maturity and Maturity**

Unless otherwise stated, the principal amount of a note means the principal amount payable at its stated maturity, unless such amount is not determinable, in which case the principal amount of a note is its face amount. Any notes owned by us or any of our affiliates are not deemed to be outstanding.

The term “stated maturity” with respect to any note means the day on which the principal amount of that note is scheduled to become due. The principal may become due sooner, by reason of redemption or acceleration after a default or otherwise in accordance with the terms of the note or later, due to the automatic extension of the stated maturity or the extension of the stated maturity at our election or the election of the holder, in each case, in accordance with the terms of the note. The day on which the principal actually becomes due, whether at the stated maturity or otherwise, is called the “maturity” of the principal.

In connection with any tranche of notes, the price and amount of notes to be offered under the program will be determined by us and the relevant dealer at the time of offer in accordance with prevailing market conditions.

## Currency of Notes

Each note will be denominated in a currency, composite currency or basket of currencies or currency unit or units that will be specified on the face of the note and in the applicable final terms. We refer to this currency, composite currency, basket of currencies or currency unit or units as a “specified currency”. Some notes may have different specified currencies for principal and interest. You will have to pay for your note by delivering the requisite amount of the specified currency for the principal to Goldman Sachs International or another firm that we name in your final terms, unless other arrangements have been made between you and us or you and that firm. We will make payments on the notes in the applicable specified currency; for a further discussion of payment see “— Payment Mechanics for Notes” below. Unless otherwise specified in the applicable final terms, Goldman Sachs International will be the exchange rate agent for any note denominated in a currency that is not the U.S. dollar.

Unless otherwise specified in the applicable final terms, notes denominated or payable in Japanese yen must have an original maturity of at least one year and will have minimum denominations of ¥1,000,000. Notes denominated or payable in U.S. dollars will have minimum denominations of U.S.\$2,000. Notes denominated or payable in euros will have minimum denominations of €1,000. Notes denominated or payable in British pounds sterling will have minimum denominations of £1,000. Notes denominated in any other currency or composite currency will have minimum denominations equal to at least €1,000 at the time of issuance.

See “Risk Factors — Considerations Relating to Notes Denominated or Payable in or Linked to Currencies Other Than Your Own Principal Currency” above for more information about the risks of investing in notes denominated in a currency different from your own principal currency.

## Types of Notes

We may issue the following three types of notes:

- **Fixed Rate Notes.** A note of this type will bear interest at a fixed rate described in the applicable final terms. This type includes zero coupon notes, which bear no interest and are instead issued at a price lower than the principal amount. See “— Interest Rates — Fixed Rate Notes” below.
- **Floating Rate Notes.** A note of this type will bear interest at rates that are determined by reference to an interest rate formula. In some cases, the rates may also be adjusted by adding or subtracting a spread or multiplying by a spread multiplier and may be subject to a minimum rate or a maximum rate. The various interest rate formulas and these other features are described below under “— Interest Rates — Floating Rate Notes”. If your note is a floating rate note, the formula and any adjustments that apply to the interest rate will be specified in your final terms.
- **Range Accrual Notes.** A note of this type provides that the amounts payable during the life of the note will be determined by reference to one or more underlyers, including interest rate formulas and currency exchange rates, the choices for which are identified below in “— Interest Rates —Range Accrual Notes”, as specified in the applicable final terms.

A note may have elements of each of the three types of notes listed above. In particular, a note may bear interest at a fixed rate in the initial interest period or periods and at a floating rate, or subject to range accrual provisions, in subsequent interest periods, in all cases subject to the terms and conditions contained in this European base prospectus that are applicable to fixed rate notes, floating rate notes or range accrual notes, as the case may be, as specified in your final terms.

If you purchase a range accrual note, your final terms will specify the relevant underlyer or underlyers and how any amounts that are to become payable will be determined by reference to the value of each underlyer. Unless the final terms otherwise specify, Goldman Sachs International will be the calculation agent that will calculate the amounts payable with respect to the range accrual note and may exercise significant discretion in doing so. You should carefully read “Risk Factors — Considerations Relating to Range Accrual Notes.”



### ***Original Issue Discount Notes***

If “Original Issue Discount” is specified in your final terms as being applicable, the notes are original issue discount notes. A note of this type is issued at a price lower than amount payable at maturity and provides that, upon redemption or acceleration of its maturity, an amount less than the amount payable at maturity will be payable. An original issue discount note may be a zero coupon note.

### **Sinking Fund**

The notes will not be entitled to the benefit of any sinking fund — that is, we will not deposit money on a regular basis into a separate custodial account to repay your notes.

### **Information in the Final Terms**

Your final terms will describe the specific terms of your note, which will include some or all of the following terms of your note:

- the specified currency or currencies for principal and interest;
- the authorized denomination;
- the issue price at which we originally issue your note, expressed as a percentage of the aggregate principal amount;
- the original issue date;
- the stated maturity, which will not be more than 40 years from the original issue date and, if applicable, any provisions for the extension of the stated maturity date;
- whether your note is a fixed rate note, a floating rate note, a range accrual note or whether it combines elements of multiple types of notes as described above;
- whether your notes are represented by a global note or a master global note;
- if your note is a fixed rate note, the annual rate at which your note will bear interest for the relevant periods and the interest payment dates, if different from those stated under “— Interest Rates — Fixed Rate Notes” below;
- if your note is a floating rate note, the interest rate basis for the relevant periods, which may be one of the base rates described under “— Interest Rates — Floating Rate Notes” below; any applicable currency exchange rate, spread or spread multiplier or initial base rate, maximum rate or minimum rate; if the interest rate basis for your notes is the CMT rate, the designated CMT Reuters screen page; if the interest rate basis for your notes is the federal funds rate, whether the federal funds rate will be determined by reference to the federal funds (effective) rate or the federal funds open rate; and the interest reset, determination, calculation and payment dates, all of which we describe under “— Interest Rates — Floating Rate Notes” below; the day count convention used to calculate interest payments for any period; the business day convention; and the calculation agent;
- if your note is a range accrual note, the mechanics that determine the amount of interest, if any, we will pay you on the relevant interest payment date or dates;
- whether your note is an original issue discount note and, if so, the yield to maturity;
- if applicable, the circumstances under which your note may be redeemed at our option or repaid at the holder’s option before the stated maturity, including any redemption or repayment commencement date, redemption or repayment date(s), redemption or repayment price(s) and redemption or repayment period(s), all of which we describe under “— Redemption and Repayment” below;

- whether admission will be made to the Luxembourg Stock Exchange for your note to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange; and
- whether your note is a Series F euro medium-term note or a Series G subordinated euro medium-term note;

### **Notes Offered During Subscription Period**

The final terms will also specify if an offering of securities is open for subscription for a specified period of time and, if so, will specify the following:

- if applicable, the process for notification to applicants of the amount allotted and an indication whether dealing in the notes being offered may begin before such notification is made;
- any conditions to which the offer is subject;
- the total amount of the offer and how the amount of notes offered may be increased;
- if applicable, the time period during which the offer will be open and a description of the subscription process;
- if applicable, a description of the possibility to reduce subscriptions and the manner for refunding excess amounts paid by subscribers;
- if applicable, details of the minimum and/or maximum subscription amount;
- if applicable, the method and time limits for paying up the notes being offered; or
- if applicable, a full description of the manner and date in which results of the offer are to be made public.

### **Market-Making Transactions**

If you purchase your note in a market-making transaction, you will receive information about the issue price, trade and settlement dates in a separate confirmation of sale. A market-making transaction is one in which Goldman Sachs International or another of our affiliates resells a note it has previously acquired from another holder. A market-making transaction in a particular note occurs after the original issuance and sale of the note.

### **Business Days**

The following definitions of “business day” may apply to any note, as specified in the applicable final terms:

If “Euro” is included in your final terms under “Business Day”, it means each Monday, Tuesday, Wednesday, Thursday and Friday on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System, or any successor system, is open for business.

“London” is included in your final terms under “Business Day”, it means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in London generally are authorized or obligated by law, regulation or executive order to close and, in the case of any note for which LIBOR is an interest rate basis, is also a day on which dealings in the applicable underlying currency are transacted in the London interbank market.

If “New York” is included in your final terms under “Business Day”, it means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York City generally are authorized or obligated by law, regulation or executive order to close.

If “Oslo” is included in your final terms under “Business Day”, it means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in Oslo generally are authorized or obligated by law, regulation or executive order to close.

If “Tokyo” is included in your final terms under “Business Day”, it means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in Tokyo generally are authorized or obligated by law, regulation or executive order to close.

If “Taipei” is included in your final terms under “Business Day”, it means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in Taipei generally are authorized or obligated by law, regulation or executive order to close.

If “Sydney” is included in your final terms under “Business Day”, it means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in Sydney generally are authorized or obligated by law, regulation or executive order to close.

If “Auckland” is included in your final terms under “Business Day”, it means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in Auckland generally are authorized or obligated by law, regulation or executive order to close.

If “Wellington” is included in your final terms under “Business Day”, it means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in Wellington generally are authorized or obligated by law, regulation or executive order to close.

If “Singapore” is included in your final terms under “Business Day”, it means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in Singapore generally are authorized or obligated by law, regulation or executive order to close.

If “Mumbai” is included in your final terms under “Business Day”, it means each day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in Mumbai, India.

If “Mexico City” is included in your final terms under “Business Day”, it means each day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in Mexico City.

If any other city is specified in your final terms under “Business Day”, it means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in such city generally are authorized or obligated by law, regulation or executive order to close.

Where more than one Business Day is listed, a day must meet satisfy all of the relevant conditions in order to be a business day for your notes.

### **Business Day Conventions**

As specified in the applicable final terms, the following business day conventions may apply to any note with regard to any relevant date other than one that falls on the stated maturity date:

If the “Business Day Convention” is specified in your final terms to be “Following” or “Following Adjusted” then, for any interest payment date, other than the stated maturity date, if such date would otherwise fall on a day that is not a business day, such date will be postponed to the next day that is a business day.

If the “Business Day Convention” is specified in your final terms to be “Modified Following” or “Modified Following Adjusted” then, for any interest payment date, other than the stated maturity date, if such date would otherwise fall on a day that is not a business day, such date will be postponed to the

next day that is a business day; *provided* that, if such day would fall in the next succeeding calendar month, the date of payment with respect to such interest payment date will be advanced to the business day immediately preceding such interest payment date.

If the “Business Day Convention” is specified in your final terms to be “Following Unadjusted” then, for any interest payment date, other than the stated maturity date, that falls on a day that is not a business day, any payment due on such interest payment date will be postponed to the next day that is a business day; *provided* that interest due with respect to such interest payment date shall not accrue from and including such interest payment date to and including the date of payment of such interest as so postponed.

If the “Business Day Convention” is specified in your final terms to be “Modified Following Unadjusted” then, for any interest payment date, other than the stated maturity date, that falls on a day that is not a business day, any payment due on such interest payment date will be postponed to the next day that is a business day; *provided* that, that interest due with respect to such interest payment date shall not accrue from and including such interest payment date to and including the date of payment of such interest as so postponed; and *provided further* that if such day would fall in the next succeeding calendar month, the date of payment with respect to such interest payment date will be advanced to the business day immediately preceding such interest payment date.

In all cases, if the stated maturity date or any earlier redemption or repayment date with respect to a note falls on a day that is not a business day, any payment of principal, premium, if any, and interest otherwise due on such day will be made on the next succeeding business day, and no interest on such payment shall accrue for the period from and after the stated maturity date, redemption date or repayment date, as the case may be.

### **Calculation of Interest**

Calculations relating to floating rate notes and range accrual notes that bear interest will be made by the calculation agent, an institution that we appoint as our agent for this purpose. That institution could include any affiliate of ours, such as Goldman Sachs International. The final terms for a particular note will name the institution that we have appointed to act as the calculation agent for that note as of its original issue date. Unless otherwise specified in the applicable final terms, we have initially appointed Goldman Sachs International as our calculation agent for all the floating rate and range accrual notes. We may appoint a different institution to serve as calculation agent from time to time after the original issue date of the notes without your consent and without notifying you of the change. We may also appoint different calculation agents for different notes. Absent manifest error, all determinations of the calculation agent will be final and binding on you and us, without any liability on the part of the calculation agent.

For each floating rate note, the calculation agent will determine, on the corresponding calculation or interest determination date, as described in “—Interest Rates—Floating Rate Notes” below, the interest rate that takes effect on each interest reset date. For each range accrual note, the calculation agent will determine, on the corresponding calculation or interest determination date the interest rate that takes applicable to each interest period. In addition, the calculation agent will calculate the amount of interest that has accrued during each interest period — *i.e.*, the period from and including the original issue date, or the last date to which interest has been paid or made available for payment, to, but excluding, the payment date.

### ***Day Count Conventions***

For each interest period, the calculation agent will calculate the amount of accrued interest as the product of the face amount of the note multiplied by the applicable interest rate multiplied by an accrued interest factor for the interest period. This factor will be determined in accordance with the “Day Count Fraction” specified in the applicable final terms, including the following:

- If “1/1 (ISDA)” is specified, the factor will be equal to 1.

- If “Actual/Actual (ISDA)”, or “Act/Act (ISDA)” is specified, the factor will be equal to the actual number of days in the interest period divided by 365 (or, if any portion of that interest period falls in a leap year, the sum of (1) the actual number of days in that portion of the interest period falling in a leap year divided by 366 and (2) the number of days in that portion of the interest period falling in a non-leap year divided by 365).
- If “Actual/Actual (ICMA)” is specified, the factor will be equal to the number of days in the interest period, including February 29 in a leap year, divided by the product of (1) the actual number of days in such interest period and (2) the number of interest periods in the calendar year.
- If “Actual/Actual (Bond)” is specified, the factor will be equal to the number of calendar days in the interest period, divided by the number of calendar days in the interest period multiplied by the number of interest periods in the calendar year.
- If “Actual/Actual (Euro)” is specified, the factor will be equal to the number of calendar days in the interest period divided by 365 or, if the interest period includes February 29, 366.
- If “Actual/365 (Fixed)”, “Act/365 (Fixed)”, “A/365 (Fixed)” or “A365F” is specified, the factor will be equal to the actual number of days in the interest period divided by 365.
- If “Actual/360 (ISDA)”, “Act/360 (ISDA)” or “A/360 (ISDA)” is specified, the factor will be equal to the actual number of days in the interest period divided by 360.
- If “Actual/360 (ICMA)” is specified, the factor will be equal to the number of calendar days in the period, including February 29 in a leap year, divided by 360 days.
- If “30/360 (ISDA)”, “360/360 (ISDA)” or “Bond Basis (ISDA)” is specified, the number of days in the interest period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y(2) - Y(1))] + [30 \times (M(2) - M(1))] + (D(2) - D(1))}{360}$$

where:

“Y(1)” is the year, expressed as a number, in which the first day of the interest period falls;

“Y(2)” is the year, expressed as a number, in which the day immediately following the last day included in the interest period falls;

“M(1)” is the calendar month, expressed as a number, in which the first day of the interest period falls;

“M(2)” is the calendar month, expressed as a number, in which the day immediately following the last day included in the interest period falls;

“D(1)” is the first calendar day, expressed as a number, of the interest period, unless such number would be 31, in which case D(1) will be 30; and

“D(2)” is the calendar day, expressed as a number, immediately following the last day included in the interest period, unless such number would be 31 and D(1) is greater than 29, in which case D(2) will be 30.

- If “30E/360”, “30E/360 (ISDA)” or “Eurobond Basis” is specified, the number of days in the interest period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y(2) - Y(1))] + [30 \times (M(2) - M(1))] + (D(2) - D(1))}{360}$$

where:

“Y(1)” is the year, expressed as a number, in which the first day of the interest period falls;

“Y(2)” is the year, expressed as a number, in which the day immediately following the last day included in the interest period falls;

“M(1)” is the calendar month, expressed as a number, in which the first day of the interest period falls;

“M(2)” is the calendar month, expressed as a number, in which the day immediately following the last day included in the interest period falls;

“D(1)” is the first calendar day, expressed as a number, of the interest period, unless (i) such number would be 31, or (ii), if “30E/360 (ISDA)” is specified, that day is the last day of February; in which case D(1) will be 30; and

“D(2)” is the calendar day, expressed as a number, immediately following the last day included in the interest period, unless (i) such number would be 31, or (ii), if “30E/360 (ISDA)” is specified, that day is the last day of February; in which case D(2) will be 30.

Unless otherwise specified in the applicable final terms, commercial paper rate notes, prime rate notes, LIBOR notes, EURIBOR notes, CD rate notes, federal funds rate notes and 11th district cost of funds rate notes will be subject to the Actual/360 (ISDA) day count convention, and treasury rate notes, CMT rate notes and CMS rate notes will be subject to the Actual/Actual (ISDA) day count convention.

Upon the request of the holder of any floating rate note, the calculation agent will provide the interest rate then in effect, and, if determined, the interest rate that will become effective on the next interest reset date with respect to such floating rate note. The calculation agent’s determination of any interest rate will be conclusive for all purposes and binding in the absence of manifest error.

All percentages resulting from any calculations relating to a note will be rounded upward or downward, as appropriate, to the next higher or lower one hundred-thousandth of a percentage point (e.g., 9.876541% (or .09876541) being rounded down to 9.87654% (or .0987654) and 9.876545% (or .09876545) being rounded up to 9.87655% (or .0987655)). All amounts used in or resulting from any calculations will be rounded upward or downward, as appropriate, to the nearest cent, in the case of U.S. dollars and euros, to the nearest Japanese yen (with fractions equal to less than one-half JPY being rounded downward and fractions equal to or greater than one-half JPY being rounded upward) in the case of Japanese yen, or to the nearest corresponding hundredth of a unit, in the case of any other currency, with one-half of a corresponding hundredth of a unit or more being rounded upward. In determining the interest payments on your note, if your final terms specify the “Calculation Basis” to be “Per Denomination”, then interest payments will be calculated on a per denomination basis and if your final terms specify the “Calculation Basis” to be “Notional”, then interest payments will be calculated on the basis of the outstanding face amount of your notes.

In determining the base rate that applies to a floating rate note during a particular interest period, the calculation agent may obtain rate quotes from various banks or dealers active in the relevant market, as described in the following subsections. Those reference banks and dealers may include the calculation agent itself and its affiliates, as well as any agent participating in the distribution of the relevant floating rate notes and its affiliates, and they may include affiliates of The Goldman Sachs Group, Inc.

With respect to any floating rate note listed on the Official List of the Luxembourg Stock Exchange, the calculation agent communicates the interest rate for each interest period, together with the amount of interest which will accrue in respect of the note’s minimum denomination during such interest period, the interest payment date on which such interest will be payable, the interest period and the number of days in the interest period, to The Goldman Sachs Group, Inc., Clearstream, Luxembourg, Euroclear, any paying agent and the Luxembourg Stock Exchange no later than noon, Luxembourg time, on the first day of such interest period. The published amount of interest to accrue and the interest payment date may subsequently be modified without notice in the event that the interest period is shortened or lengthened pursuant to the terms of the note.

## **Role of Calculation Agent and Exchange Rate Agent**

All determinations made by the calculation agent and exchange rate agent will be in their sole discretion unless we state otherwise. In the absence of manifest error, those determinations will be conclusive for all purposes and binding on the holder and on us, without any liability on the part of the calculation agent or exchange rate agent, respectively.

We shall take such action as shall be necessary to ensure that there is at all relevant times a financial institution serving as the calculation agent and exchange rate agent, if applicable, under the notes. We may, in our sole discretion at any time and from time to time, upon written notice to the fiscal agent, but without notice to any holder, terminate the appointment of the calculation agent or exchange rate agent, if applicable, and another agent (including any of our affiliates). Insofar as the notes provide for the calculation agent or exchange rate agent, to obtain information from any institution or other source, the calculation agent or exchange rate agent may do so from any source or sources of the kind contemplated or otherwise permitted, notwithstanding that any one or more of such sources are an agent, affiliate of such agent or affiliate of ours. We assume no responsibility to verify the accuracy of such information.

## **Change in Law**

Following the determination by the calculation agent that a change in law (as defined in the following paragraph) has occurred, the calculation agent will determine the appropriate adjustment, if any, to be made to any one or more of the terms of the notes, including, without limitation, any term relating to amounts payable on such notes, as the calculation agent determines appropriate to account for the change in law, and determine the effective date of that adjustment. We may also redeem, in whole or in part, any outstanding notes in the event of a change in law, as described under “ — Redemption and Repayment — Redemption Upon Change in Law” below.

A change in law means that, on or after the settlement date, as a result of (i) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (ii) the promulgation of or any change in the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the calculation agent determines that we and/or any of our affiliates will incur a materially increased cost in performing our obligations under the notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit, or other adverse effect on its tax position) or if such performance becomes illegal.

## **Interest Rates**

This subsection describes the different kinds of interest rates that may apply to your note, if it bears interest.

### **Fixed Rate Notes**

A note of this type will bear interest at a fixed rate, or fixed rates (if different fixed rates are specified for different interest periods), specified in your final terms. This type of note includes zero coupon notes, which bear no interest and are instead issued at a price lower than the amount payable at maturity. See “— Features Common to All Notes — Original Issue Discount Notes” above for more information about zero coupon and other original issue discount notes.

Each fixed rate note, except any zero coupon note, will bear interest from the “Interest Commencement Date” specified in your final terms or from the most recent interest payment date to which interest on the note has been paid or made available for payment. Interest will accrue on the principal of a fixed rate note at a fixed rate per annum, or at fixed rates per annum, stated in applicable final terms as the “Interest Rate”, until the principal is paid or made available for payment or the note is converted or exchanged. Your final terms will describe the interest rates applicable to each interest period if the interest rate changes over the term of the note (as described below), and relevant interest payment dates on which interest on fixed rate notes will be payable. The interest period for each payment of

interest due on an interest payment date or at maturity will include interest accrued from and including the last date to which interest has been paid or made available for payment, or from the interest commencement date if none has been paid, or made available for payment, to, but excluding, the interest payment date or the date of maturity. We will compute interest on fixed rate notes on the basis of the day count convention specified in your final terms; see “— Day Count Conventions” above. We will pay interest on each interest payment date and at maturity as described under “— Payment Mechanics for Notes” below.

If “Original Issue Discount” is specified in your final terms as being applicable, the applicable final terms will specify the “OID”, “Accretion Date” and “Accretion Rate”. The accreted value will be (1) as of any date prior to the stated maturity date, an amount equal to the sum of (A) the original issue price of your note and (B) the portion of the excess of the amount payable at maturity of your note over the original issue price which shall have been accreted from the issue price on a daily basis and compounded annually on the “Accretion Date” each year specified in the applicable final terms, up to and including the stated maturity date, at a rate equal to the “Accretion Rate” specified in the applicable final terms from the original issue date, computed on the basis of a 360-day year consisting of twelve 30-day calendar months; and (2) as of any date on or after the stated maturity date, the face amount of your note.

### **Floating Rate Notes**

*In this subsection, we use several specialized terms relating to the manner in which floating interest rates are calculated. These terms appear in **bold, italicized** type the first time they appear, and we define these terms in “— Special Rate Calculation Terms” at the end of this subsection.*

A note of this type will bear interest at rates that are determined by reference to one of the interest rate formulae described below. In some cases, the rates may be adjusted by adding or subtracting a spread or multiplying by a spread multiplier and may be subject to a minimum rate or a maximum rate, as described in greater detail below. If your note is a floating rate note, the formula and any adjustments that apply to the interest rate will be specified in your final terms.

Each floating rate note will bear interest from its original issue date or from the most recent interest payment date to which interest on the note has been paid or made available for payment. Interest will accrue on the principal of a floating rate note at the annual rate determined according to the interest rate formula stated in the note and the applicable final terms, until the principal is paid or made available for payment. We will pay interest on each interest payment date and at maturity as described under “— Payment Mechanics for Notes” below.

### **Base Rates**

We currently expect to issue floating rate notes that bear interest at rates based on one or more of the following base rates:

- the commercial paper rate;
- the prime rate;
- LIBOR;
- EURIBOR;
- the treasury rate;
- the CMT rate;
- the CD rate;
- the USD CMS rate;



- Euro interest rate swap (EURIBOR BASIS – EUR)
- JPY swap rate
- USD swap rate
- AUD BBSW rate
- the federal funds rate;
- the 11th district cost of funds rate; and/or
- SGD SOR rate

We describe each of these base rates in further detail below in this subsection. If you purchase a floating rate note, your final terms will specify the type of “Base Rate” that applies to your note. A note may bear interest at any of the base rates specified above.

### ***Spread or Spread Multiplier***

In some cases, the base rate for a floating rate note may be adjusted:

- by adding or subtracting a specified number of basis points, called the spread, with one basis point being 0.01%;
- by multiplying the base rate by a specified percentage, called the spread multiplier, which may be negative; or
- by a combination of the foregoing.

If you purchase a floating rate note, your final terms will specify whether a “Spread” or “Spread Multiplier” will apply to your note and, if so, the amount of the spread or spread multiplier.

### ***Maximum and Minimum Rates***

The actual interest rate, after being adjusted by the spread or spread multiplier, may also be subject to either or both of the following limits:

- a maximum rate — *i.e.*, a specified upper limit that the actual interest rate in effect at any time may not exceed; and/or
- a minimum rate — *i.e.*, a specified lower limit that the actual interest rate in effect at any time may not fall below.

If you purchase a floating rate note, your final terms will specify whether a “Maximum Rate” and/or “Minimum Rate” will apply to your note and, if so, what those rates are.

Whether or not a maximum rate applies, the interest rate on a floating rate note will in no event be higher than the maximum rate permitted by New York law, as it may be modified by U.S. law of general application. Under current New York law, the maximum rate of interest, with some exceptions, for any loan in an amount less than \$2,500,000 is 25% per year on a simple interest basis. No limits apply to loans of \$2,500,000 or more.

The rest of this subsection describes how the interest rate and the interest payment dates will be determined, and how interest will be calculated, on a floating rate note.

### ***Interest Reset Dates***

The rate of interest on a floating rate note will be reset, by the calculation agent described below, daily, weekly, monthly, quarterly, semi-annually or annually (each, an “interest reset period”). The date on which the interest rate resets and the reset rate becomes effective is called the interest reset date. The interest reset date will be as follows:

- for floating rate notes that reset daily, each business day;
- for floating rate notes that reset weekly and are not treasury rate notes, the Wednesday of each week;
- for treasury rate notes that reset weekly, the Tuesday of each week, except as otherwise described in the next to last paragraph under “— Interest Determination Dates” below;
- for floating rate notes that reset monthly, the third Wednesday of each month;
- for floating rate notes that reset quarterly, the third Wednesday of March, June, September and December of each year;
- for floating rate notes that reset semi-annually, the third Wednesday of each of two months of each year as specified in the applicable final terms; and
- for floating rate notes that reset annually, the third Wednesday of one month of each year as specified in the applicable final terms.

For a floating rate note, the interest rate in effect on any particular day will be the interest rate determined with respect to the latest interest reset date that occurs on or before that day. There are several exceptions, however, to the reset provisions described above.

The base rate in effect from and including the original issue date to, but excluding, the first interest reset date will be the initial base rate. For floating rate notes that reset daily or weekly, the base rate in effect for each day following the second business day before an interest payment date to, but excluding, the interest payment date, and for each day following the second business day before the maturity date to, but excluding, the maturity date, will be the base rate in effect on that second business day.

If any interest reset date would otherwise be a day that is not a business day, the interest reset date will be adjusted in accordance with the applicable business day convention.

### ***Interest Determination Dates***

The interest rate that takes effect on an interest reset date will be determined by the calculation agent by reference to a particular date called an interest determination date.

- For all floating rate notes other than LIBOR notes, EURIBOR notes, treasury rate notes and 11th district cost of funds rate notes, the interest determination date relating to a particular interest reset date will be the second business day before the interest reset date.
- For LIBOR notes, the interest determination date relating to a particular interest reset date will be the second London business day preceding the interest reset date, unless the underlying currency is pounds sterling, in which case the interest determination date will be the interest reset date. We refer to an interest determination date for a LIBOR note as a LIBOR interest determination date.
- For EURIBOR notes, the interest determination date relating to a particular interest reset date will be the second euro business day preceding the interest reset date. We refer to an interest determination date for a EURIBOR note as a EURIBOR interest determination date.
- For treasury rate notes, the interest determination date relating to a particular interest reset date, which we refer to as a treasury interest determination date, will be the day of the week in which the interest reset date falls on which treasury bills — *i.e.*, direct obligations of the U.S. government — would normally be auctioned. Treasury bills are usually sold at auction on the Monday of each week, unless that day is a legal holiday, in which case the auction is usually held on the following Tuesday, except that the auction may be held on the preceding Friday. If as the result of a legal holiday an auction is held on the preceding Friday, that Friday will be the treasury interest determination date relating to the interest reset date occurring in the next succeeding week. If the auction is held on a day that would otherwise be an interest reset date, then the interest reset date will instead be the first business day following the auction date.

- For 11th district cost of funds rate notes, the interest determination date relating to a particular interest reset date will be the last working day, in the first calendar month before that interest reset date, on which the Federal Home Loan Bank of San Francisco publishes the monthly average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District for the second calendar month before that interest reset date. We refer to an interest determination date for an 11th district cost of funds rate note as an 11th district interest determination date.

Unless otherwise specified in the applicable final terms, if any interest determination date would otherwise be a day that is not a business day, the interest determination date will be adjusted in accordance with the applicable business day convention.

### ***Interest Calculation Dates***

As described above, the interest rate that takes effect on a particular interest reset date will be determined by reference to the corresponding interest determination date. Except for LIBOR notes and EURIBOR notes, however, the determination of the rate will actually be made on a day no later than the corresponding interest calculation date. The interest calculation date will be the earlier of the following:

- the tenth calendar day after the interest determination date or, if that tenth calendar day is not a business day, the next succeeding business day;
- the business day immediately preceding the interest payment date or the maturity date, whichever is the day on which the next payment of interest will be due; or
- in the case of floating rate notes listed on the Official List of the Luxembourg Stock Exchange, the first date of the interest period — *i.e.*, the period from and including the original issue date, or the last date interest was paid or made available for payment, to, but excluding, the payment date — beginning on or after the interest reset date.

The calculation agent need not wait until the relevant interest calculation date to determine the interest rate if the rate information it needs to make the determination is available from the relevant sources sooner.

### ***Interest Payment Dates***

The interest payment dates for a floating rate note will depend on when the interest rate is reset and, unless otherwise specified in the applicable final terms, will be as follows:

- for floating rate notes that reset daily, weekly or monthly, on the third Wednesday of each month or the third Wednesday of March, June, September and December of each year, as specified in the applicable final terms;
- for floating rate notes that reset quarterly, on the third Wednesday of March, June, September and December of each year;
- for floating rate notes that reset semi-annually, on the third Wednesday of the two months of each year specified in the applicable final terms; or
- for floating rate notes that reset annually, on the third Wednesday of the month specified in the applicable final terms.

Regardless of these rules, if a note is originally issued after the regular record date and before the date that would otherwise be the first interest payment date, the first interest payment date will be the date that would otherwise be the second interest payment date. We define “regular record date” under “— Payment Mechanics for Notes — Who Receives Payment?” below. Unless otherwise specified in the applicable final terms, if any interest payment date would otherwise be a day that is not a business day, the interest payment date will be adjusted in accordance with the applicable business day convention.

### ***Australian Dollar Bills of Exchange Rate Notes***

If you purchase an Australian dollar bills of exchange rate note (“Base Rate”: AUD BBSW), your note will bear interest at a base rate equal to the average mid rate for Australian Dollar bills of exchange and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The average mid rate for Australian Dollar bills of exchange for a reset date will be the average mid rate for Australian dollar bills of exchange having a tenor of the designated maturity, which appears on the Reuters Screen BBSW page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) at approximately 10:10 a.m., Sydney time, on that reset date.

If such rate does not appear on the Reuters Screen BBSW page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) by 10:30 a.m., Sydney time, on the reset date, then the rate for that reset date will be the arithmetic mean of the mid of the bid and ask rates quoted by five of the financial institutions authorized to quote on the Reuters Screen BBSW Page to the calculation agent. The quotations will be for rates which the five of the financial institutions authorized to quote on the Reuters Screen BBSW Page quoted or would have quoted at approximately 10:00 a.m., Sydney time, on the reset date for Australian dollar bills of exchange having a tenor of the designated maturity and of the type specified for the purpose of quoting on the Reuters Screen BBSW Page. If in respect of a reset date the rate for that reset date cannot be determined in accordance with the foregoing procedures then the rate for that reset date will be the rate determined by the calculation agent having regard to comparable indices then available. The rate calculated or determined by the calculation agent will be expressed as a percentage rate per annum and will be rounded up, if necessary, to the next higher one ten thousandth of a percentage point (0.0001 %).

### ***Commercial Paper Rate Notes***

If you purchase a commercial paper rate note (“Base Rate”: Commercial Paper), your note will bear interest at a base rate equal to the commercial paper rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The commercial paper rate will be the **money market yield** of the rate, for the relevant interest determination date, for commercial paper having the **underlyer maturity** specified in your final terms, as published in **H.15(519)** opposite the heading “Commercial Paper — Nonfinancial”. If the commercial paper rate cannot be determined as described above, the following procedures will apply:

- If the rate described above does not appear in H.15(519) at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the commercial paper rate will be the rate, for the relevant interest determination date, for commercial paper having the underlyer maturity specified in your final terms, as published in **H.15 daily update** or any other recognized electronic source used for displaying that rate, opposite the heading “Commercial Paper — Nonfinancial”.
- If the rate described above does not appear in H.15(519), H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, the commercial paper rate will be the money market yield of the arithmetic mean of the following offered rates for U.S. dollar commercial paper that has the relevant underlyer maturity and is placed for an industrial issuer whose bond rating is “AA”, or the equivalent, from a nationally recognized rating agency: the rates offered as of 11:00 A.M., New York City time, on the relevant interest determination date, by three leading U.S. dollar commercial paper dealers in New York City selected by the calculation agent.
- If fewer than three dealers selected by the calculation agent are quoting as described above, the commercial paper rate for the new interest period will be the commercial paper rate in effect for the prior interest period. If the initial base rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

### ***CD Rate Notes***

If you purchase a CD rate note ("Base Rate": CD rate), your note will bear interest at a base rate equal to the CD rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The CD rate will be the rate, on the relevant interest determination date, for negotiable U.S. dollar certificates of deposit having the underlying maturity specified in your final terms, as published in H.15(519) opposite the heading "CDs (secondary market)". If the CD rate cannot be determined in this manner, the following procedures will apply:

- If the rate described above does not appear in H.15(519) at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from that source at that time, then the CD rate will be the rate, for the relevant interest determination date, described above as published in H.15 daily update, or another recognized electronic source used for displaying that rate, under the heading "CDs (secondary market)".
- If the rate described above does not appear in H.15(519), H.15 daily update or another recognized electronic source at 3:00 P.M., New York City time, on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, the CD rate will be the arithmetic mean of the following secondary market offered rates for negotiable U.S. dollar certificates of deposit of major U.S. money center banks with a remaining maturity closest to the specified underlying maturity and in a representative amount: the rates offered as of 10:00 A.M., New York City time, on the relevant interest determination date, by three leading nonbank dealers in negotiable U.S. dollar certificates of deposit in New York City, as selected by the calculation agent.
- If fewer than three dealers selected by the calculation agent are quoting as described in the prior paragraph, the CD rate in effect for the new interest period will be the CD rate in effect for the prior interest period. If the initial base rate has been in effect for the prior interest period, however, it will remain in effect for the new interest period.

### ***CMT Rate Notes***

If you purchase a CMT rate note ("Base Rate": CMT rate), your note will bear interest at a base rate equal to the CMT rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The manner in which the CMT rate is determined for the relevant interest reset date will depend on the designated CMT Reuters screen page (or Underlyer Screen Page) that is specified for your notes in the applicable final terms. If no designated CMT Reuters screen page (or Underlyer Screen Page) is specified, Reuters screen FRBCMT page (or any successor or replacement service or page) will be the designated CMT Reuters screen page for your notes.

- If the designated CMT Reuters screen page for your notes is FRBCMT, the CMT rate for the relevant interest reset date will be the yield for Treasury securities at "constant maturity" for a period of the designated CMT index maturity as set forth in H.15(519) under the caption "Treasury constant maturities", as such yield is displayed on the designated CMT Reuters screen page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) on the CMT interest determination date. If the applicable rate described above is not displayed on the designated CMT Reuters screen page, then the CMT rate will be the treasury constant maturity rate for the designated CMT underlying maturity as published in H.15(519) under the caption "Treasury constant maturities".
- If the rate described in the preceding paragraph does not appear in H.15(519), then the CMT rate for the relevant interest reset date will be the treasury constant maturity rate for the designated CMT underlying maturity that:
  - is published by the Board of Governors of the Federal Reserve System or the U.S. Department of the Treasury; and

- is determined by the calculation agent to be comparable to the applicable rate that would otherwise have been published in H.15(519).
- If, on the relevant CMT interest determination date, the rate described in the preceding paragraph is not published by the Board of Governors of the Federal Reserve System or the U.S. Department of Treasury, then the CMT rate for the relevant interest reset date will be the yield to maturity of the arithmetic mean of the secondary market bid rates for the most recently issued U.S. Treasury securities having an original maturity of approximately the designated CMT underlying maturity and a remaining term to maturity of not less than the designated CMT underlying maturity minus one year, and in a representative amount, as of approximately 3:30 P.M., New York City time, on the relevant CMT interest determination date, quoted by three primary U.S. government securities dealers in New York City selected by the calculation agent. In selecting these bid rates, the calculation agent will request quotations from five primary dealers and will disregard the highest quotation — or, if there is equality, one of the highest — and the lowest quotation — or, if there is equality, one of the lowest. If fewer than five but more than two such bid rates are provided, the CMT rate will be based on the arithmetic mean of the bid prices provided, and neither the highest nor lowest of such quotations will be eliminated.
- If the calculation agent is unable to obtain three quotations of the kind described in the preceding paragraph, the CMT rate for the relevant interest reset date will be the yield to maturity of the arithmetic mean of the secondary market bid rates for U.S. Treasury securities with an original maturity longer than the designated CMT index maturity, with a remaining term to maturity closest to the designated CMT index maturity and in a representative amount, as of approximately 3:30 P.M., New York City time, on the relevant CMT interest determination date, of three primary U.S. government securities dealers in New York City selected by the calculation agent. In selecting these bid rates, the calculation agent will request quotations from five of these primary dealers and will disregard the highest quotation — or, if there is equality, one of the highest — and the lowest quotation — or, if there is equality, one of the lowest. If fewer than five but more than two of these primary dealers are quoting, then the CMT rate for the relevant interest reset date will be based on the arithmetic mean of the bid rates so obtained, and neither the highest nor the lowest of those quotations will be disregarded. If two U.S. Treasury securities with an original maturity longer than the designated CMT underlying maturity have remaining terms to maturity that are equally close to the designated CMT underlying maturity, the calculation agent will obtain quotations for the U.S. Treasury securities with the shorter original term to maturity.
- If two or fewer primary dealers selected by the calculation agent are quoting as described in the preceding paragraph, the CMT rate for the relevant interest reset date will be the rate determined by the calculation agent in its sole discretion, after consulting such sources as it deems comparable to any of the foregoing quotations or display page, or any such source as it deems reasonable from which to estimate the rate for U.S. Treasury securities at constant maturity or any of the foregoing bid rates.

If the designated CMT Reuters screen page for your notes is FEDCMT, the CMT rate for the relevant interest reset date will be the one-week average yield for Treasury securities at "constant maturity" for a period of the designated CMT index maturity as set forth in H.15(519) under the heading "Week Ending" and opposite the heading "Treasury constant maturities" for the week preceding the relevant interest reset date, as such average is displayed on the designated CMT Reuters screen page for the week preceding the relevant interest reset date.

If the applicable average described above is not displayed on the designated CMT Reuters screen page, then the CMT rate for the relevant interest reset date will be the one-week average yield for Treasury securities at "constant maturity" for a period of the designated CMT index maturity and for the week preceding the relevant interest reset date as published in H.15(519) under the heading "Week Ending" and opposite the heading "Treasury constant maturities".

If the applicable average described in the preceding paragraph does not appear in H.15(919), then the CMT rate for the relevant interest reset date will be the one-week average yield for Treasury securities at "constant maturity" for a period equal to the designated CMT index maturity as otherwise

announced by the Federal Reserve Bank of New York for the week preceding the relevant interest reset date.

If for the week preceding the relevant interest reset date the Federal Reserve Bank of New York does not publish a one-week average yield for Treasury securities at "constant maturity" for a period equal to the designated CMT index maturity for the preceding week, then the CMT rate for the relevant interest reset date will be the yield to maturity of the arithmetic mean of the secondary market bid rates for the most recently issued U.S. Treasury securities having an original maturity of approximately the designated CMT underlying maturity and a remaining term to maturity of not less than the designated CMT underlying maturity minus one year, and in a representative amount, as of approximately 3:30 P.M., New York City time, on the relevant CMT interest determination date, quoted by three primary U.S. government securities dealers in New York City selected by the calculation agent. In selecting these bid rates, the calculation agent will request quotations from five primary dealers and will disregard the highest quotation — or, if there is equality, one of the highest — and the lowest quotation — or, if there is equality, one of the lowest. If fewer than five but more than two such bid rates are provided, the CMT rate will be based on the arithmetic mean of the bid prices provided, and neither the highest nor lowest of such quotations will be eliminated.

If the calculation agent is unable to obtain three quotations of the kind described in the preceding paragraph, the CMT rate for the relevant interest reset date will be the yield to maturity of the arithmetic mean of the secondary market bid rates for U.S. Treasury securities with an original maturity longer than the designated CMT underlying maturity, with a remaining term to maturity closest to the designated CMT index maturity and in a representative amount, as of approximately 3:30 P.M., New York City time, on the relevant CMT interest determination date, of three primary U.S. government securities dealers in New York City selected by the calculation agent. In selecting these bid rates, the calculation agent will request quotations from five of these primary dealers and will disregard the highest quotation — or, if there is equality, one of the highest — and the lowest quotation — or, if there is equality, one of the lowest. If fewer than five but more than two of these primary dealers are quoting, then the CMT rate for the relevant interest reset date will be based on the arithmetic mean of the bid rates so obtained, and neither the highest nor the lowest of those quotations will be disregarded. If two U.S. Treasury securities with an original maturity longer than the designated CMT underlying maturity have remaining terms to maturity that are equally close to the designated CMT underlying maturity, the calculation agent will obtain quotations for the U.S. Treasury securities with the shorter original term to maturity.

If two or fewer primary dealers selected by the calculation agent are quoting as described in the preceding paragraph, the CMT rate for the relevant interest reset date will be the rate determined by the calculation agent in its sole discretion, after consulting such sources as it deems comparable to any of the foregoing quotations or display page, or any such source as it deems reasonable from which to estimate the one-week average for U.S. Treasury securities at constant maturity or any of the foregoing bid rates.

### ***EURIBOR Notes***

If you purchase a "EURIBOR" note ("Base Rate": EURIBOR), your note will bear interest at a base rate equal to the interest rate for deposits in euros designated as "EURIBOR" and sponsored jointly by the European Banking Federation and ACI — The Financial Market Association, or any company established by the joint sponsors for purposes of compiling and publishing that rate. In addition, the EURIBOR base rate will be adjusted by the spread or spread multiplier, if any, specified in your final terms. EURIBOR will be determined in the following manner:

- EURIBOR for the relevant interest reset date will be the offered rate for deposits in euros having the underlying maturity specified in your final terms, as that rate appears on the Reuters screen EURIBOR01 page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) as of approximately 11:00 A.M., Brussels time, on the relevant EURIBOR interest determination date.
- EURIBOR will be determined on the basis of the rates at which deposits in euros are offered by four major banks in the euro-zone interbank market, at approximately 11:00 A.M., Brussels time,

on the relevant EURIBOR interest determination date, to prime banks in the euro-zone interbank market for a period of the specified underlying maturity commencing on the relevant on the relevant interest reset date and in a representative amount assuming an Actual/360 day count basis. The calculation agent will request the principal euro-zone office of each of these four banks to provide a quotation of its rate. If at least two quotations are provided, EURIBOR for the relevant interest reset date will be the arithmetic mean of the quotations.

- If fewer than two quotations are provided as described in the preceding paragraph, EURIBOR for the relevant interest reset date will be the arithmetic mean of the rates quoted by major banks in the euro-zone, selected by the calculation agent, at approximately 11:00 A.M., Brussels time, on that interest reset date, for loans of euros to leading European banks for the specified underlying maturity, beginning on the relevant interest reset date, and in a representative amount.
- If no quotation is provided as described in the preceding paragraph, then the calculation agent, after consulting such sources as it deems comparable to any of the foregoing quotations or display page, or any such source as it deems reasonable from which to estimate EURIBOR or any of the foregoing lending rates, shall determine EURIBOR for that interest reset date in its sole discretion.

### ***Euro Interest Rate Swap Notes***

If you purchase a Euro interest rate swap note ("Base Rate": EURIBOR BASIS - EUR), your note will bear interest at a base rate equal to the annual swap rate for Euro swap transactions, adjusted by the spread or spread multiplier, if any, specified in your final terms.

The annual swap rate for euro swap transactions for a reset date will be the annual swap rate for euro swap transactions with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Reuters Screen ISDAFIX2 Page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) under the heading "EURIBOR BASIS - EUR" and above the caption "11:00AM FRANKFURT" as of 11:00 a.m., Frankfurt time, on the day that is two TARGET Settlement Days preceding that Reset Date.

If such rate does not appear on the Reuters Screen ISDAFIX2 Page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page), the rate for that reset date will be a percentage determined on the basis of the mid-market annual swap rate quotations provided by the five leading swap dealers in the interbank market, at approximately 11:00 a.m., London time on the day that is two TARGET Settlement Days preceding that reset date. For this purpose, the mid-market annual swap rate means the arithmetic mean of the bid and offered rates for the annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating euro interest rate swap transaction with a term equal to the designated maturity commencing on that reset date and in a representative amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to the annual swap rate for euro swap transactions with a maturity of six months, expressed as a percentage, which appears on the Reuters Screen ISDAFIX2 Page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) under the heading "EURIBOR BASIS - EUR" and above the caption "11:00AM FRANKFURT" as of 11:00 a.m., Frankfurt time, on the day that is two TARGET Settlement Days preceding that Reset Date. The calculation agent will request the principal office of each of the five leading swap dealers in the interbank market to provide a quotation of its rate. If at least three quotations are provided, the rate for that reset date will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

### ***Federal Funds Rate Notes***

If you purchase a federal funds rate note ("Base Rate": FEDFUNDS), your note will bear interest at a base rate equal to the federal funds (effective) rate or the federal funds open rate, as specified in the applicable final terms and adjusted by the spread or spread multiplier, if any, specified in your final terms.



The federal funds rate will be the rate for U.S. dollar federal funds on the relevant interest reset date, as set forth in H.15(519) opposite the heading "Federal funds (effective)", as that rate is displayed on the Reuters screen FEDFUNDS1 page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) for that day.

- If, by approximately 5:00 P.M., New York City time, on the day that is one New York City banking day following the relevant interest reset date, the federal funds (effective) rate for the relevant interest reset date does not appear on Reuters screen FEDFUNDS1 page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page), then the federal funds (effective) rate, for that interest reset date, will be the rate published on H.15(519) under the heading "Federal funds (effective)".
- If the rate described above is not displayed on the Reuters screen FEDFUNDS1 page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) and does not appear in H.15(519) at approximately 5:00 P.M., New York City time, on the day that is one New York City banking day following the relevant interest reset date, then the federal funds (effective) rate, for the relevant interest reset date, will be the rate described above as published in H.15 daily update, or another recognized electronic source used for displaying that rate, opposite the heading "Federal funds (effective)".
- If the rate cannot be determined as described in the preceding paragraphs, then the federal funds (effective) rate for the relevant interest reset date will be the rate for the first day preceding the relevant interest reset date for which such rate is set forth in H.15(519) opposite the caption "Federal funds (effective)", as such rate is displayed on the Reuters Screen FEDFUNDS1 page.

#### ***JPY Swap Rate Notes***

If you purchase a JPY swap rate note ("Base Rate": JPY SWAP), your note will bear interest at a base rate equal to the JPY swap rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The JPY swap rate for the relevant interest reset date will be the swap rate for Yen swap transactions with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Reuters screen 17143 Page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) as of 10:00 a.m., Tokyo time, on the day that is two Tokyo banking days preceding the reset date.

If such rate does not appear on the Reuters Screen 17143 Page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page), the rate for a reset date will be a percentage determined on the basis of the mid-market semi-annual swap rate quotations provided by the five leading swap dealers in the interbank market at approximately 10:00 a.m., Tokyo time, on the day that is two Tokyo banking days preceding that reset date. For this purpose, the mid-market semi-annual swap rate means the arithmetic mean of the bid and offered rates for the semi-annual fixed leg, calculated on an Actual/Actual day count basis, of a fixed-for-floating Yen interest rate swap transaction with a term equal to the designated maturity commencing on that reset date and in a representative amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to the rate for deposits in Yen for a period with a designated maturity of six months which appears on the Reuters Screen 3750 Page as of 11:00 a.m., London time, on the day that is two London banking days preceding that reset date. If such rate does not appear on the Reuters Screen 3750 Page, the applicable floating rate for that reset date will be determined on the basis of the rates at which deposits in Yen are offered by four major banks in the London interbank market at approximately 11:00 a.m., London time, on the day that is two London banking days preceding that reset date to prime banks in the London interbank market for a period with a designated maturity of six months commencing on that reset date and in a representative amount. The calculation agent will request the principal London office of four major banks in the London interbank market to provide a quotation of its rate. If at least two quotations are provided, the rate for that reset date will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that reset date will be the arithmetic mean of the rates quoted by major banks in Tokyo, selected

by the calculation agent, at approximately 11:00 a.m., Tokyo time, on that reset date for loans in Yen to leading European banks for a period with a designated maturity of six months commencing on that reset date and in a representative amount.

The calculation agent will request the principal office of the five leading swap dealers in the interbank market to provide a quotation of its rate. If at least three quotations are provided, the rate for that reset date will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

### ***LIBOR Notes***

If you purchase a LIBOR note ("Base Rate": LIBOR), your note will bear interest at a base rate equal to LIBOR, which will be the London interbank offered rate for deposits in U.S. dollars or any other underlying currency, as specified in your final terms. In addition, the applicable LIBOR base rate will be adjusted by the spread or spread multiplier, if any, specified in your final terms. LIBOR will be determined in the following manner:

LIBOR will be the offered rate appearing on the Reuters screen LIBOR01 page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) as of 11:00 A.M., London time, on the relevant LIBOR interest determination date, for deposits of the relevant underlying currency having the relevant underlying maturity beginning on the relevant interest reset date. Your final terms will indicate the underlying currency and the underlying maturity that apply to your LIBOR note.

If the calculation agent under your notes determines in its sole discretion that the LIBOR base rate has been discontinued, then the calculation agent shall determine whether to use a substitute or successor base rate that is comparable to the LIBOR base rate in its sole discretion. Otherwise:

- If the rate described above does not so appear on the Reuters screen LIBOR01 page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page), then LIBOR will be determined on the basis of the rates, at which deposits in U.S. dollars or any other underlying currency, as specified in your final terms, are offered by four major banks in the London interbank market selected by the calculation agent at approximately 11:00 A.M., London time, on the relevant LIBOR interest determination date, to prime banks in the London interbank market for a period of the specified index maturity, beginning on the relevant interest reset date, and in a representative amount. The calculation agent will request the principal London office of each of these major banks to provide a quotation of its rate. If at least two quotations are provided, LIBOR for the relevant interest reset date will be the arithmetic mean of the quotations.
- If fewer than two of the requested quotations described above are provided, LIBOR for the relevant interest reset date will be the arithmetic mean of the rates quoted by major banks in New York City or, if the specified underlying currency is not U.S. dollars, in the principal financial center for the country issuing the index currency, selected by the calculation agent, at approximately 11:00 A.M., New York City time (or the time in the relevant principal financial center), on the relevant interest reset date, for loans in U.S. dollars (or the underlying currency) to leading European banks for a period of the specified index maturity, beginning on the relevant interest reset date, and in a representative amount.
- If no quotation is provided as described in the preceding paragraph, then the calculation agent, after consulting such sources as it deems comparable to any of the foregoing quotations or display page, or any such source as it deems reasonable from which to estimate LIBOR or any of the foregoing lending rates, shall determine LIBOR for that interest reset date in its sole discretion.

### ***Prime Rate Notes***

If you purchase a prime rate note ("Base Rate": Prime Rate), your note will bear interest at a base rate equal to the prime rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The prime rate will be the rate, for the relevant interest reset date, published in H.15(519) opposite the heading "Bank prime loan".

- If, by approximately 5:00 P.M., New York City time, on the day that is one New York City banking day following the relevant interest reset date, the rate described above is not yet published in H.15(519) then the prime rate will be the rate, for the relevant interest reset date, as published in H.15 daily update or another recognized electronic source used for the purpose of displaying that rate, opposite the heading "Bank prime loan".
- If the rate described above does not appear in H.15(519), H.15 daily update or another recognized electronic source by approximately 5:00 P.M., New York City time, on the day that is one New York City banking day following the relevant interest reset date, then the prime rate for the relevant interest reset date will be the rate for the day first preceding the relevant interest reset date for which such rate is set forth in H.15(519) opposite the caption "Bank prime rate".

### ***Treasury Rate Notes***

If you purchase a treasury rate note ("Base Rate": US Treasury), your note will bear interest at a base rate equal to the treasury rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The treasury rate for the relevant interest reset date will be the rate for U.S. government treasury bills, as that rate appears on the Reuters screen USAUCTION10 page or USAUCTION11 page on the relevant treasury interest determination date, opposite the underlying maturity specified in your final terms under the heading "INVEST RATE".

- If the rate described above does not appear on either page on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, but U.S. government treasury bills having the specified index maturity have been auctioned during the relevant interest period, then the treasury rate will be the bond equivalent yield of the rate, for the relevant interest reset date, as published in H.15 daily update, or another recognized electronic source used for displaying that rate, for that day and for the specified underlying maturity, under a heading indicating that such rate is the "auction high" rate for United States treasury bills
- If the rate cannot be determined as described in the preceding paragraph, then the treasury rate will be the bond equivalent yield of the auction rate for treasury bills with a remaining maturity equal to the specified underlying maturity as announced by the United States Treasury.
- If no such auction is held for the relevant week, then the treasury rate will be the bond equivalent yield of the rate, for the relevant treasury interest reset date and for treasury bills having the specified underlying maturity, as published in H.15(519) under the heading "U.S. government securities Treasury bills (secondary market)".
- If the rate described in the prior paragraph does not appear in H.15(519) on the relevant interest calculation date, unless the calculation is made earlier and the rate is available from one of those sources at that time, the treasury rate will be the rate, for the relevant interest reset date and for treasury bills having the specified underlying maturity, as published in H.15 daily update, or another recognized electronic source used for displaying that rate, under the heading "U.S. government securities Treasury bills (secondary market)".
- If the rate described in the prior paragraph does not appear in H.15 daily update or another recognized electronic source on the relevant interest calculation date, unless the calculation is

made earlier and the rate is available from that source at that time, the treasury rate will be the bond equivalent yield of the arithmetic mean of the following secondary market bid rates for the issue of treasury bills with a remaining maturity closest to the specified underlying maturity: the rates bid as of approximately 3:30 P.M., New York City time, on the relevant interest reset date, by primary U.S. government securities dealers in New York City selected by the calculation agent.

- If no quotation is provided as described in the preceding paragraph, then the calculation agent, after consulting such sources as it deems comparable to any of the foregoing secondary market bids or any display page or other U.S. government publication or source, or any other source as it deems reasonable from which to estimate the treasury bills auction rate or any of the foregoing secondary market bid rates, shall determine the treasury rate for that interest reset date in its sole discretion.

### ***USD CMS Rate Notes***

If you purchase a CMS rate note (“Base Rate”: USD CMS), your note will bear interest at a base rate equal to the CMS rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The CMS rate for the relevant interest reset date will be the rate appearing on the Reuters screen ISDAFIX1 page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) for U.S. dollar swaps having a maturity equal to the index maturity specified in the applicable final terms as of approximately 11:00 A.M., New York City time, on the relevant CMS interest determination date. If the CMS rate cannot be determined in this manner, then:

- The CMS rate for the relevant interest reset date will be determined on the basis of the mid-market semi-annual swap rate quotations provided by five leading swap dealers in the New York City interbank market at approximately 11:00 A.M., New York City time, on the relevant CMS interest determination date. For this purpose, the semi-annual swap rate means the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating U.S. dollar interest rate swap transaction with a term equal to the specified index maturity, commencing on the relevant interest reset date, with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to LIBOR with a designated maturity of three months, as such rate may be determined in accordance with the provisions set forth above under “— LIBOR Notes”. The calculation agent will select the five swap dealers in its sole discretion and will request the principal New York City office of each of those dealers to provide a quotation of its rate.
- If at least three quotations are provided, the CMS rate for that interest reset date will be the arithmetic mean of the quotations described above, eliminating the highest and lowest quotations or, in the event of equality, one of the highest and one of the lowest quotations.
- If fewer than three quotations are provided, the calculation agent will determine the CMS rate in its sole discretion.

### ***USD Interest Rate Swap Notes***

If you purchase a USD interest rate swap note (“Base Rate”: USD SWAP), your note will bear interest at a base rate equal to the rate for U.S. dollar swaps and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The rate for U.S. dollar swaps will be the rate equal to the rate for U.S. dollar swaps with a maturity of the designated maturity, expressed as a percentage, which appears on the Reuters Screen ISDAFIX3 page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) as of 11:00 a.m., New York City time, on the day that is two U.S. government securities business days preceding that reset date.

If the rate described above does not appear on the Reuters screen ISDAFIX3 page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) on the

relevant interest reset date, then the rate for U.S. dollar swaps will be a percentage determined on the basis of the mid-market semi-annual swap rate quotations provided by the five leading swap dealers in the New York City interbank market at approximately 11 :00 a.m., New York City time, on the day that is two U.S. government securities business days preceding that reset date, and, for this purpose, the semi-annual swap rate means the mean of the bid and offered rates for the semi-annual fixed leg, calculated on a 30/360 day count basis, of a fixed-for-floating U.S. dollar interest rate swap transaction with a term equal to the designated maturity commencing on that reset date and in a representative amount with an acknowledged dealer of good credit in the swap market, where the floating leg, calculated on an Actual/360 day count basis, is equivalent to the rate for deposits in U.S. Dollars with a designated maturity of three months, which appears on the Reuters Screen LIBOR01 Page as of 11:00 a.m., London time, on the day that is two London banking days preceding that reset date. If such rate does not appear on the Reuters Screen LIBOR01 page, the applicable floating rate for that reset date will be determined on the basis of the rates at which deposits in U.S. Dollars are offered by four major banks in the London interbank market at approximately 11:00 a.m., London time, on the day that is two London banking days preceding that reset date to prime banks in the London interbank market for a period with a designated maturity of three months commencing on that reset date and in a representative amount. The calculation agent will request the principal London office of four major banks in the London interbank market to provide a quotation of its rate. If at least two such quotations are provided, the rate for that reset date will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that reset date will be the arithmetic mean of the rates quoted by major banks in New York City, selected by the calculation agent, at approximately 11:00 a.m., New York City time, on that reset date for loans in U.S. dollars to leading European banks for a period with a designated maturity of three months commencing on that reset date and in a representative amount.

The calculation agent will request the principal New York City office of each of the five leading swap dealers in the New York City interbank market to provide a quotation of its rate. If at least three quotations are provided, the rate for that reset date will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

### ***11th District Cost of Funds Rate Notes***

If you purchase an 11th district cost of funds rate note("Base Rate": 11th District), your note will bear interest at a base rate equal to the 11th district cost of funds rate and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The 11th district cost of funds rate will be the rate equal to the monthly weighted average cost of funds set forth opposite the caption "11TH Dist COFI:" as displayed on the Reuters screen COFI/ ARMS page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) as of approximately 11:00 A.M., San Francisco time, on the relevant interest reset date.

If the rate described above does not appear on the Reuters screen COFI/ARMS page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) on the relevant interest reset date, then the 11th district cost of funds rate for that date will be the monthly weighted average cost of funds paid by institutions that are members of the Eleventh Federal Home Loan Bank District for the calendar month immediately before the relevant interest reset date, as most recently announced by the Federal Home Loan Bank of San Francisco as that cost of funds.

If the Federal Home Loan Bank of San Francisco fails to announce the cost of funds described in the prior paragraph on or before the relevant interest reset date, the 11th district cost of funds rate will be the latest comparable rate announced by the Federal Home Loan Bank of San Francisco prior to the interest payment date immediately following that interest reset date.

## **SGD SOR Rate Notes**

If you purchase an SGD SOR rate note (“Base Rate”: SGD SOR), your note will bear interest at a base rate equal to the synthetic rate for deposits in Singapore dollars and adjusted by the spread or spread multiplier, if any, specified in your final terms.

The synthetic rate for deposits in Singapore dollars will be the rate equal to the synthetic rate for deposits in Singapore dollars for a period of the designated maturity which appears on the Reuters Screen ABSIRFIXOI Page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page) under the heading “SOD SWAP OFFER” as of 11:00 a.m., Singapore time, on the day that is two Singapore Banking Days preceding that reset date. If such rate does not appear on the Reuters Screen ABSIRFIXOI Page (or if specified in your final terms, the Underlyer Screen Page) (or any successor or replacement service or page), the rate for that reset date will be any substitute rate announced by the Association of Banks in Singapore (“ABS”). If ABS does not announce such rate by 4:00 p.m., Singapore time, on the day that is two Singapore Banking Days preceding the relevant reset date, the applicable floating rate for that reset date will be determined on the basis of the rates at which deposits in Singapore dollars are offered by four major banks in the Singapore interbank market at approximately 11:00 a.m., Singapore time, on the day that is two Singapore Banking Days preceding that reset date to prime banks in the Singapore interbank market for a period of the designated maturity commencing on that reset date and in a representative amount. The calculation agent will request the principal Singapore office of each of the four major banks in the Singapore interbank market to provide a quotation of its rate. If at least two quotations are provided, the rate for that reset date will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that reset date will be the arithmetic mean of the rates quoted by major banks in Singapore, selected by the calculation agent, at approximately 11:00 a.m., Singapore time, on that reset date for loans in Singapore dollars to leading banks in Singapore for a period of the designated maturity commencing on that reset date and in a representative amount.

### **Special Rate Calculation Terms**

In this subsection entitled “— Interest Rates — Floating Rate Notes”, we use several terms that have special meanings relevant to calculating floating interest rates. We define these terms as follows:

The term “**bond equivalent yield**” means a yield expressed as a percentage and calculated in accordance with the following formula:

$$\text{bond equivalent yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where

- “D” means the annual rate for treasury bills quoted on a bank discount basis and expressed as a decimal;
- “N” means 365 or 366, as the case may be; and
- “M” means the actual number of days in the interest reset period.

The term “**designated CMT underlyer maturity**” means the underlyer maturity for a CMT rate note and will be the original period to maturity of a U.S. treasury security — either 1, 2, 3, 5, 7, 10, 20 or 30 years — specified in the applicable final terms. If no original maturity period is specified, the designated CMT Underlyer maturity will be 2 years.

The term “**designated CMT Reuters screen page**” means the Reuters screen page specified in the applicable final terms that displays treasury constant maturities as reported in H.15(519). If no Reuters screen page is so specified, then the applicable page will be the Reuters screen FEDCMT page. If the Reuters screen FEDCMT page applies but the applicable final terms do not specify whether the weekly or monthly average applies, the weekly average will apply.

The term **“euro-zone”** means, at any time, the region comprised of the Member States of the European Economic and Monetary Union, or any successor union that, as of that time, have adopted a single currency in accordance with the Treaty on European Union of February 1992, or any successor treaty.

**“H.15(519)”** means the weekly statistical release designated as such published by the Federal Reserve System Board of Governors, or its successor, available through the website of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/h15/update/h15upd.htm>, or any successor site or publication.

**“H.15 daily update”** means the daily update of H.15(519) available through the website of the Board of Governors of the Federal Reserve System, at <http://www.federalreserve.gov/releases/h15/update/h15upd.htm>, or any successor site or publication.

The term **“underlyer currency”** means, with respect to a LIBOR note, the currency specified as such in the applicable final terms. The underlyer currency may be U.S. dollars or any other currency and will be U.S. dollars unless another currency is specified in the applicable final terms.

The term **“underlyer maturity”** means, with respect to a floating rate note, the period to maturity of the instrument or obligation on which the interest rate formula is based, as specified in the applicable final terms.

The term **“money market yield”** means a yield expressed as a percentage and calculated in accordance with the following formula:

$$\text{money market yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where

- “D” means the annual rate for commercial paper quoted on a bank discount basis and expressed as a decimal; and
- “M” means the actual number of days in the relevant interest reset period.

The term **“representative amount”** means an amount that, in the calculation agent’s judgment, is representative of a single transaction in the relevant market at the relevant time.

**“Reuters screen”** means the display on the 3000 Xtra service or any successor service, on the page or pages specified in the applicable final terms, or any replacement page or pages on that service.

**“Reuters screen LIBOR page”** means the display on the Reuters screen LIBOR01 page or Reuters screen LIBOR02 page, as specified in the applicable final terms, or any replacement page or pages on which London interbank rates of major banks for the relevant underlyer currency are displayed.

**“Reuters screen USPRIME1 page”** means the display on the Reuters screen page titled “USPRIME1”, for the purpose of displaying prime rates or base lending rates of major U.S. banks.

If, when we use the terms designated CMT Reuters screen page, H.15(519), H.15 daily update, Reuters screen LIBOR page, Reuters screen USPRIME1 page, Reuters screen USAUCTION10 page, Reuters screen USAUCTION11 page, Reuters screen ISDAFIX2 page, Reuters screen COFI/ARMS page, Reuters screen page 5 or Reuters screen, we refer to a particular heading or headings on any of those pages, those references include any successor or replacement heading or headings as determined by the calculation agent.

## **Change in Interest Rate Note Provisions**

If "Change in Interest Rate Note Provisions" is specified in your final terms as being applicable, then the following paragraph shall apply.

Your final terms will include a table in the row entitled "Change in Interest Rate Note Provisions" which sets for the method by which the interest payable on your notes is determined for each interest period. Different methods of determining the interest payable on your notes will apply to different interest periods. In respect of the interest period relating to each interest payment date listed in the column entitled "Scheduled Interest Payment Date":

- (i) if the interest period is subject to a fixed interest rate, the column "Rate of Interest" will specify the fixed rate of interest and if the period is subject to a floating interest rate, the column "Rate of Interest" will specify the Base Rate, Underlyer Maturity and Underlyer Currency (as applicable);
- (ii) if the interest period is subject to a floating interest rate, the column "Spread / Cap / Floor" will specify the Spread, Spread Multiplier, Minimum Rate and Maximum Rate, as applicable to such interest period;
- (iii) if the interest period is subject to a floating interest rate, the column "Interest Determination Dates" will specify the applicable interest determination date for such interest period;
- (iv) if the interest period is subject to a floating interest rate, the column "Interest Reset Dates" will specify the applicable interest reset date for such interest period
- (v) if the interest period is subject to a floating interest rate, the column "Day Count Fractions" will specify the applicable day count fraction for such interest period,

## **Range Accrual Notes**

If "Range Accrual Provisions" is specified as applicable in the applicable final terms, the section shall apply to your notes.

Interest will accrue on each underlyer daily fixing date on a range accrual note at the interest rate specified in the applicable final terms, provided that the level of the underlyer daily fixing, or each underlyer daily fixing, as the case may be, on such day falls within the accrual range applicable to each relevant underlyer. Interest payments on a range accrual note will be subject to range accrual on one or more underlyers, such underlyers to be any of the underlyers described below. The "Accrual Range" and "Underlyer Daily Fixing" for each "Underlyer" will be specified in your final terms.

The interest calculation periods are the period from and including an interest payment date (or the interest commencement date, in the case of the initial interest calculation period) to but excluding the next succeeding interest payment date (or the stated maturity date, in the case of the final interest calculation period). Interest on the notes if any, will accrue on each calendar day, from and including each originally scheduled interest payment date (or the interest commencement date, in the case of the initial interest calculation period) to but excluding the next succeeding originally scheduled interest payment date (or the originally scheduled stated maturity date, in the case of the final interest calculation period) and be paid on each interest payment date provided that the level of "Underlyer Daily Fixing" (as specified in the Final Terms) on the relevant underlyer daily fixing date falls within the "Accrual Range" applicable to the relevant underlyer (as specified in the Final Terms and subject to the rate cut-off described below); otherwise no interest will accrue on such day.

The underlyer daily fixing dates are, with respect to each interest calculation period, each calendar day in such interest calculation period, (subject to the rate cut-off described below); provided that in the event that an underlyer daily fixing date falls on a day that is not a business day, the underlyer daily fixings on the immediately preceding day that is a business day shall be used.



The rate cut-off will occur on the date five (5) business days prior to the next succeeding originally scheduled interest payment date. The level of each underlying daily fixing on the rate cut-off date will determine the level of the underlying daily fixings for the relevant underlying for the remaining calendar days of such interest calculation period, i.e., the underlying daily fixing for each underlying calculated five (5) business days prior to the next succeeding originally scheduled interest payment date will be the underlying daily fixing for such underlying for all calendar days remaining in such interest calculation period.

## **Underlyers**

We may issue range accrual notes linked to one or more of the following underlyers, as specified in the table that appears in the row “Range Accrual Provisions” under the column “Underlyers”:

- LIBOR (as defined above in “— Interest Rates — Floating Rate Notes”)
- EURIBOR (as defined above in “— Interest Rates — Floating Rate Notes”)
- AUD BBSW (as defined above in “— Interest Rates — Floating Rate Notes”)
- A foreign currency exchange rate (as defined below in “ — Currencies and Foreign Currency Exchange Rates”)

## ***Currencies and Foreign Currency Exchange Rates***

An underlying may be a foreign currency exchange rate, in which case the “Underlyer” will be specified in the following format in the applicable final terms “[ccy1][ccy2] FX Fixing”.

When specified in this format, each of “ccy1” and “ccy2” will be one of the following currencies, or another currency which we have not decided on as of the date of this base prospectus:

- “AUD” which is Australian dollar
- “USD” which is U.S. dollar
- “NZD” which is New Zealand dollar
- “INR” which Indian rupee
- “SGD” with is Singapore dollar
- “TWD” which is Taiwanese dollar
- “EUR” which is euro
- “GBP” which is Pounds sterling
- “JPY” which is Japanese yen
- “CHF” which is Swiss franc

The rate of a foreign currency exchange rate on any underlying daily fixing date will be the rate expressed as the number of “ccy2” for which one “ccy1” could be purchased. The calculation agent will determine the rate as the rate that appears on the “Fixing Page” specified in the final terms (or any successor or replacement service or page) at the “Fixing Time” specified in the final terms on such underlying daily fixing date. If “bid” or “ask” is specified in the “Bid/Ask/Mid” column in the applicable final terms, the applicable rate will be the one that appears under the “bid” or “ask” column, respectively, on

the “Fixing Page” specified in the final terms (or any successor or replacement service or page). If “mid” is specified in the “Bid/Ask/Mid” column in the applicable final terms, the applicable rate will be calculated by the Calculation Agent as the average of the rates that appear under the “bid” or “ask” columns on the “Fixing Page” specified in the final terms (or any successor or replacement service or page). In the event the Calculation Agent determines that on any underlying daily fixing date the “Fixing Page” specified in the final terms is no longer published and no replacement symbol or page is designated, or is not published as of the designated date and time, or the applicable rate does not appear on the “Fixing Page” specified in the final terms, the Calculation Agent will determine the rate of the applicable exchange rate underlying in its sole discretion.

#### *Exchange Business Days*

An exchange business day with respect to a foreign exchange rate is a day on which either (1) an entity responsible for setting the official exchange rate, a spot exchange rate or other specified exchange rate publishes such rate or (2) transactions in the official exchange rate, spot exchange rate or other specified exchange rate are occurring in the global foreign exchange spot markets and foreign exchange markets are settling payments in the specified principal financial centers of the relevant currencies, and, in each case, a market disruption event with respect to a foreign currency exchange rate has not occurred or is not continuing.

#### *Market Disruption Events*

A market disruption event with respect to a foreign currency exchange rate will be deemed to have occurred if an event has occurred or is continuing which makes it impossible for the calculation to obtain such relevant official exchange rate, spot exchange rate or other specified exchange rate.

#### *Adjustments*

##### *Non-Exchange Business Days*

If any observation date with respect to a foreign currency exchange rate falls on a day that is not an exchange business day, the relevant observation date with respect to such rate will be postponed to the next following exchange business day. However, in no event will any observation date with respect to a foreign exchange rate be postponed by more than eight business days after the scheduled date for that observation date. If an observation date immediately preceding the stated maturity date or any payment date for the relevant note is postponed, the stated maturity date or payment date will be postponed by the same number of business day(s) from and excluding the originally scheduled observation date to and including the actual observation date, subject to a maximum of eight business days; provided, however, that if the rescheduled observation date is more than five business days prior to the stated maturity date or payment date, then such stated maturity date or payment date shall not be postponed in the event that an observation date has been postponed to the last date possible and such postponed date is not an exchange business day, the calculation agent shall determine the relevant official exchange rate, spot exchange rate or other specified exchange rate in a commercially reasonable manner in its sole discretion.

#### **Hedging in Connection with Issuance of Range Accrual Notes**

In anticipation of the sale of range accrual notes, we and/or our affiliates may enter into hedging transactions involving purchases of instruments linked to the relevant underlying(s) on the trade date. In addition, from time to time after we issue the offered notes, we and/or our affiliates may enter into additional hedging transactions and unwind those hedging transactions we have entered into, in connection with such notes and perhaps in connection with other notes we issue, some of which may have returns linked to the relevant underlyers. Consequently, with regard to range accrual notes, from time to time, we and/or our affiliates:

- expect to acquire and dispose of positions in listed or over-the-counter options, futures, swaps or other instruments linked to the relevant underlyers,

- may take short positions in any of the underlyers.

We and/or our affiliates may acquire long or short positions in securities similar to the offered notes from time to time and may, in our or their sole discretion, hold or resell those securities.

In the future, we and/or our affiliates would expect to close out any hedge positions relating to your note and perhaps hedge positions relating to the underlyers and other notes with returns linked to the underlyers.

### **Range Accrual Notes Terms**

In this subsection entitled “Range Accrual Notes”, we use several terms that have special meanings relevant to range accrual notes. We define these terms as follows:

The term “**currency exchange rate**” means any foreign currency exchange rate defined above that is specified as an “underlyer” in the applicable final terms.

The term “**underlyer**” means LIBOR, EURIBOR, AUD BBSW and any currency exchange rate specified as such in the applicable final terms.

When “**daily range accrual**” is specified in your final terms, interest on the notes will accrue on each day at the interest rate (or rates, if different interest rates apply in different interest periods) specified in the final terms, from and including the interest commencement date to but excluding the originally scheduled maturity date unless the notes are redeemed early pursuant to an early redemption feature of the notes, provided that the level of each underlyer daily fixing on the relevant underlyer daily fixing date falls within the accrual range applicable to the relevant underlyer, subject to, if applicable, the rate cut-off; otherwise no interest will accrue on such day.

The term “**accrual range**” means, with respect to an underlyer, all values of the underlyer *greater* or *less* than, as applicable, and, if specified, *equal* to a specified value, *or*, if the accrual range of the underlyer has both upper and lower boundaries, all values of the underlyer that are both (i) *greater* than and, if specified, *equal* to a specified lower boundary underlyer value and (ii) *less* than and, if specified, *equal* to a specified upper boundary underlyer value.

The term “**rate cut-off date**” means, with respect to each interest calculation period, the date that falls five Business Days prior to the next succeeding originally scheduled interest payment date.

With respect to each interest calculation period, during the period from and including the relevant “**rate cut-off date**” to but excluding the next succeeding originally scheduled interest payment date, the level of each underlyer daily fixing (as defined below) on the rate cut-off date will determine the level of the underlyer daily fixing for the relevant underlyer for the remaining calendar days of such interest calculation period, *i.e.*, the underlyer daily fixing for each underlyer calculated on the relevant rate cut-off date will be the underlyer daily fixing for such underlyer for all calendar days remaining in the relevant interest calculation period.

The term “**underlyer daily fixing date**” means, with respect to an interest calculation period, each calendar day in such interest calculation period, subject to rate cut-off.

The term “**underlyer daily fixings**” means, with respect to an underlyer, the reference price of the underlyer on the applicable underlyer daily fixing date.

## **Redemption and Repayment**

### **Redemption at Maturity**

Unless previously redeemed, or purchased and cancelled as specified below, the notes will be redeemed by the Issuer by payment of the Amount Payable at Maturity (or Final Redemption Amount) on

the maturity date, as specified in your final terms as a fixed percentage of the face amount of your notes determined on the issue date. In determining the amount payable at maturity on your note, if your final terms specify the “Calculation Basis” to be “Per Denomination”, then the amount payable at maturity will be calculated on a per denomination basis and if your final terms specify the “Calculation Basis” to be “Notional”, then amount payable at maturity will be calculated on the basis of the outstanding face amount of your notes.

### **Redemption at the Option of The Goldman Sachs Group, Inc.**

We will not be entitled to redeem your note before its stated maturity date unless your final terms specify “Additional Redemption Rights at the Option of the Issuer” to be applicable, except in the event of certain developments involving a change in law (including a change in tax law) or in connection with the imposition of United States withholding taxes for which we have agreed to pay Additional Amounts, as described in this subsection under “— Redemption Upon Change in Law,” and “— Redemption Upon Payment of Additional Amounts” below. If your final terms specify “Additional Redemption Rights at the Option of the Issuer” to be applicable, they will also specify one or more “Issuer’s Redemption Date(s)”, and one or more “Issuer’s Redemption Price(s)”, which will be expressed as a percentage of the face amount of your note. The following paragraphs of this subsection apply only if your final terms specify “Additional Redemption Rights at the Option of the Issuer” to be applicable.

Your note will be redeemable at our option, in whole or in part, on Issuer’s Redemption Date(s). If we redeem your note, we will do so at the Issuer’s Redemption Price(s) of the face amount of your note, together with any interest accrued but unpaid to the applicable Issuer’s Redemption Date. If different prices are specified for different Issuer’s Redemption Dates, the price we pay will be the price that applies to the Issuer’s Redemption Date on which your note is redeemed.

If we exercise an option to redeem any note, we will give to the holder written notice of the principal amount of the note to be redeemed, no fewer than the number of days or Business Days specified in your final terms as the “Issuer’s Redemption Notice” before the applicable Issuer’s Redemption Date. We will give the notice in the manner described under “— Notices” below. In addition, we will notify the Luxembourg Stock Exchange of any redemption.

We or our affiliates may purchase notes from investors who are willing to sell from time to time, either in the open market at prevailing prices or in private transactions at negotiated prices. Notes that we or they purchase may, at our discretion, be held, resold or canceled.

### **Repayment at the Holder’s Option**

You will not be entitled to require us to buy your note from you before its stated maturity, unless your final terms specify “Repayment at the Holder’s Option” to be applicable. If your final terms specify “Repayment at the Holder’s Option” to be applicable, they will also specify one or more “Holder’s Redemption Date(s)”, and one or more “Holder’s Redemption Price(s)”, which will be expressed as a percentage of the face amount of your note. The following paragraphs of this subsection apply only if your final terms specify “Repayment at the Holder’s Option” to be applicable

Your note will be repayable at the holder’s option on the specified holder’s redemption date at the specified holder’s redemption price, together with interest accrued but unpaid (unless such date is an interest payment date) to the holder’s redemption date.

If a holder of a note wishes to exercise its option to redeem any note, the holder will need to deliver to a paying agent of The Goldman Sachs Group, Inc., at least 30 days but not more than 45 days before the repayment date. Exercise of the repayment option by the holder of a note will be irrevocable. The holder of a note may not exercise the repayment option for less than the entire principal amount of its note.

If a note represented by a global note is subject to repayment at the holder’s option, the depository or its nominee, as the holder, will be the only person that can exercise the right of repayment. Any indirect owners who own beneficial interests in the global note and wish to exercise a repayment right must give

proper and timely instructions to their banks or brokers through which they hold their interests, requesting that they notify the depository to exercise the repayment right on their behalf. Different firms have different deadlines for accepting instructions from their customers, and you should take care to act promptly enough to ensure that your request is given effect by the depository before the applicable deadline for exercise.

*Street name and other indirect owners should contact their banks or brokers for information about how to exercise a repayment right in a timely manner.*

### **Redemption Upon Change in Law**

The following paragraphs of this subsection apply only if your final terms specify “Redemption Upon Change in Law” to be applicable.

We may redeem, as a whole but not in part, any outstanding notes, if, at any time on or after the settlement date, as a result of (i) the adoption of or any change in any applicable law or regulation or (ii) the promulgation of or any change in the interpretation of any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation, the calculation agent determines that we and/or any of our affiliates will incur a materially increased cost in performing our obligations under the notes or if such performance becomes illegal, in whole or in part. This right to redemption is exclusive of and in addition to the right to redemption described under “— Redemption Upon Payment of Additional Amounts” below.

If we exercise the option to redeem, we will give to the holders of notes, not less than 30 nor more than 60 days’ notice before the specified redemption date (unless otherwise required by law). In addition, we will notify the Luxembourg Stock Exchange of any redemption. The redemption price will be either (i) 100% of the principal of the notes (except original issue discount notes), together with accrued but unpaid interest to the redemption date or (ii) in the case of range accrual notes, the non-scheduled repayment amount, taking into account change in law. Original issue discount notes, however, will be redeemed at 100% of the accreted value (as defined above under “— Interest Rates — Fixed Rate Notes”), together with accrued but unpaid interest (if applicable), as of the redemption date. In the event of a change in law due to illegality, we will pay the non-scheduled repayment amount only to the extent permitted by applicable law.

The non-scheduled repayment amount for a range accrual note redeemed upon a change in law or, if applicable, upon payment of additional amounts, as set forth below, will equal on any day, an amount, in the specified currency of the note based on the quotes of three qualified financial institutions, as the suitable market price of the note, taking into account its remaining present value, immediately before the redemption. In the event that quotes are not able to be obtained from three qualified financial institutions, the amount shall be determined in good faith by the calculation agent as the fair market value of the note, taking into account the remaining present value, immediately before the redemption.

We must deliver to the fiscal agent a certificate affirming that we are entitled to exercise the right of redemption and setting forth in reasonable detail a statement of facts showing that the conditions precedent to the right to redeem the notes have occurred.

### **Redemption Upon Payment of Additional Amounts**

The following redemption provisions will apply to the notes if the relevant final terms specify “Gross-up and Call in the Case of Tax Law Changes” to be applicable.

We may redeem, as a whole but not in part, any outstanding notes, if, at any time, as a result of certain changes in the laws or regulations of any U.S. taxing authority, on or after the date of this European base prospectus, we are obligated to pay, on the next succeeding interest payment date, additional amounts, as described under “— Payment of Additional Amounts” below, and that obligation

cannot be avoided by the use of reasonable measures available to us. If we exercise the option to redeem, we will give to the holders of notes, not less than 30 nor more than 60 days' notice before the specified redemption date. In addition, we will notify the Luxembourg Stock Exchange of any redemption. The redemption price will be 100% of the principal of the notes (except original issue discount notes), together with accrued but unpaid interest to the redemption date. Original issue discount notes, however, will be redeemed at 100% of the accreted value (as defined above under "— Interest Rates — Fixed Rate Notes"), together with accrued but unpaid interest (if applicable), to the redemption date as of the redemption date.

The obligation to pay additional amounts must remain in effect at the time we give notice of redemption, and that notice of redemption must be given no earlier than 90 days before the date on which we would be obligated to pay additional amounts, if a payment in respect of the notes were then due. In addition, we must deliver to the fiscal agent a certificate affirming that we are entitled to exercise the right of redemption and setting forth in reasonable detail a statement of facts showing that the conditions precedent to the right to redeem the notes have occurred.

### **Payment of Additional Amounts**

Unless required by law, we intend to make all payments on the notes without deducting U.S. withholding taxes. If we are required by law to withhold payments to non-U.S. investors, however, we will not pay additional amounts on those payments unless the applicable final terms explicitly states that the gross-up of any payments due on the notes is applicable will we pay additional amounts on payments that are required to be withheld and only to the extent described in this subsection. The following discussion in this subsection applies only if the relevant final terms specify "Gross-up and Call in the Case of Tax Law Changes" to be applicable:

We will pay additional amounts on a note only if the beneficial owner of the notes is a United States alien. The term "United States alien" means any person who, for U.S. federal income tax purposes is:

- a nonresident alien individual;
- a foreign corporation;
- a foreign partnership one or more of the members of which, for U.S. federal income tax purposes, is a foreign corporation, a nonresident alien individual or a nonresident alien fiduciary of a foreign estate or trust; or
- a nonresident alien fiduciary of an estate or trust that is not subject to U.S. federal income tax on a net income basis on income or gain from a note.

If the beneficial owner of a note is a United States alien, we will pay all additional amounts that may be necessary so that every net payment of interest, premium, if any, or principal on that note will not be less than the amount provided for in that note. By net payment, we mean the amount we or our paying agent pays after deducting or withholding an amount for or on account of any present or future tax, assessment or other governmental charge imposed with respect to that payment by a U.S. taxing authority.

Our obligation to pay additional amounts is subject to several important exceptions, however. We will **not** pay additional amounts for or on account of any of the following:

- any tax, assessment or other governmental charge imposed solely because of any time there is or was a connection between the beneficial owner — or between a fiduciary, settler, beneficiary or member of the beneficial owner, if the beneficial owner is an estate, trust or partnership — and the United States (other than the mere receipt of a payment or the ownership or holding of a note), including because the beneficial owner — or the fiduciary, settler, beneficiary or member — at any time, for U.S. federal income tax purposes:
  - is or was a citizen or resident or is or was treated as a resident of the United States;

- is or was present in the United States;
  - is or was engaged in a trade or business in the United States;
  - has or had a permanent establishment in the United States;
  - is or was a passive foreign investment company or a controlled foreign corporation;
  - is or was a corporation that accumulates earnings to avoid U.S. federal income tax; or
  - is or was a “ten percent shareholder” of The Goldman Sachs Group, Inc.;
- any estate, inheritance, gift, sales, excise, transfer, wealth or personal property or any similar tax, assessment or other governmental charge;
  - any tax, assessment or other governmental charge imposed solely because the holder or any other person fails to comply with any certification, identification or other reporting requirement concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of such note, if compliance is required by statute or by regulation of the U.S. Treasury Department or by an applicable income tax treaty to which the United States is a party, as a precondition to exemption from such tax, assessment or other governmental charge;
  - any tax, assessment or other governmental charge which is payable otherwise than by deduction or withholding from payments of principal of, premium, if any, or interest on such notes;
  - any tax, assessment or other governmental charge imposed solely because the payment is to be made by a particular paying agent (including The Goldman Sachs Group, Inc.) and would not be imposed if made by another paying agent;
  - any tax, assessment or other governmental charge imposed solely because the holder (1) is a bank purchasing the note in the ordinary course of its lending business or (2) is a bank that is neither (A) buying the note for investment purposes only nor (B) buying the note for resale to a third party that either is not a bank or holding the note for investment purposes only;
  - any tax, assessment or other governmental charge imposed under Sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended (the “Code”), and any regulations or official interpretations thereof;
  - any tax, assessment or other governmental charge imposed under Section 871(m) of the Code, and any regulations or official interpretations thereof; or
  - any combination of the taxes, assessments or other governmental charges described above.

In addition, we will not pay additional amounts with respect to any payment of principal, premium, if any, or interest to any United States alien who is a fiduciary or a partnership, or who is not the sole beneficial owner of the payment, to the extent that we would not have to pay additional amounts to any beneficiary or settlor of the fiduciary or any member of the partnership, or to any beneficial owner of the payment, if that person or entity were treated as the beneficial owner of the note for this purposes.

When we refer to a “U.S. taxing authority” in this subsection and “— Redemption and Repayment — Redemption Upon Payment of Additional Amounts” above, we mean the United States of America or any state, other jurisdiction or taxing authority in the United States. When we refer to the “United States”, we mean the United States of America, including the states and the District of Columbia, together with the territories, possessions and all those areas subject to the jurisdiction of the United States of America.

When we refer to any payment of interest or principal on a note, this includes any additional amount that may be payable as described above in respect of that payment.

## **Mergers and Similar Transactions**

We are generally permitted to merge or consolidate with another corporation or other entity. We are also permitted to sell our assets substantially as an entirety to another corporation or other entity. With regard to your note, however, we may not take any of these actions unless all of the following conditions are met:

- if the successor entity in the transaction is not The Goldman Sachs Group, Inc., the successor entity must be organized as a corporation, partnership or trust and must expressly assume our obligations under the notes and the applicable fiscal agency agreement with respect to that series. The successor entity may be organized under the laws of any jurisdiction, whether in the United States or elsewhere;
- immediately after the transaction, no default under the notes of that issuance has occurred and is continuing. For this purpose, “default under the notes of that issuance” means an event of default with respect to that issuance or any event that would be an event of default with respect to that issuance if the requirements for giving us default notice and for our default having to continue for a specific period of time were disregarded; and
- certain other conditions of the applicable fiscal agency agreement are met.

If the conditions described above are satisfied, we will not need to obtain the approval of the holders of the notes in order to merge or consolidate or to sell our assets. Also, these conditions will apply only if we wish to merge or consolidate with another entity or sell our assets substantially as an entirety to another entity. We will not need to satisfy these conditions if we enter into other types of transactions, including any transaction in which we acquire the stock or assets of another entity, any transaction that involves a change of control of The Goldman Sachs Group, Inc. but in which we do not merge or consolidate and any transaction in which we sell less than substantially all our assets.

Also, if we merge, consolidate or sell our assets substantially as an entirety and the successor is a non-U.S. entity, neither we nor any successor would have any obligation to compensate you for any resulting adverse tax consequences to the notes.

## **Subordination Provisions**

Holders of Series G subordinated euro medium-term notes should recognize that the terms of these notes may prohibit us from making payments on them. The Series G subordinated euro medium-term notes are subordinate and junior in right of payment, to the extent and in the manner stated in the relevant notes, to all of our senior indebtedness including the Series F euro medium-term notes and all other securities issued under the fiscal agency agreement under which the Series F euro medium-term notes are issued. “Senior indebtedness” means all indebtedness and obligations of, or guaranteed or assumed by, The Goldman Sachs Group, Inc. for borrowed money or evidenced by bonds, debentures, notes or other similar instruments, whether existing now or in the future, and all amendments, renewals, extensions, modifications and refundings of any indebtedness or obligations of that kind. Senior debt excludes the Series G subordinated euro medium-term notes and any other indebtedness or obligations specifically designated as being subordinate, or not superior, in right of payment to the Series G subordinated euro medium-term notes.

We may modify the subordination provisions, including the definition of senior indebtedness, with respect to the Series G subordinated euro medium-term notes, to the extent set out in the applicable final terms.

The terms of the Series G subordinated euro medium-term notes may provide that, unless all principal of and any premium or interest on the senior indebtedness has been paid in full, no payment or other distribution may be made in respect of any such notes in the following circumstances:



- in the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization, assignment for creditors or other similar proceedings or events involving us or our assets;
- (a) in the event and during the continuation of any default in the payment of principal, premium or interest on any senior indebtedness beyond any applicable grace period or (b) in the event that any event of default with respect to any senior indebtedness has occurred and is continuing, permitting the holders of that senior indebtedness to accelerate the maturity of that senior indebtedness, whether or not the maturity is in fact accelerated (unless, in the case of (a) or (b), the payment default or event of default has been cured or waived or ceased to exist and any related acceleration has been rescinded) or (c) in the event that any judicial proceeding is pending with respect to a payment default or event of default described in (a) or (b); or
- in the event that the Series G subordinated euro medium-term notes have been declared due and payable before their stated maturity.

If any holders of the Series G subordinated euro medium-term notes receive any payment or distribution that is prohibited under the subordination provisions, then they will have to repay that money to the holders of the senior indebtedness.

Even if the subordination provisions prevent us from making any payment when due on the Series G subordinated euro medium-term notes, we will be in default on our obligations if we do not make the payment when due. This means that the holders of the Series G subordinated euro medium-term notes can take action against us, but they will not receive any money until the claims of the holders of senior indebtedness have been fully satisfied.

The terms of the Series G subordinated euro medium-term notes allow the holders of senior indebtedness to obtain a court order requiring us and any holder of Series G subordinated euro medium-term notes to comply with the subordination provisions.

### **Restriction on Liens**

We promise holders of the Series F euro medium-term notes that we will not create, assume, incur or guarantee any indebtedness for borrowed money that is secured by a lien on the voting or profit participating equity ownership interests that we or any of our subsidiaries own in Goldman, Sachs & Co., or in any subsidiary that beneficially owns or holds, directly or indirectly, those interests in Goldman, Sachs & Co., unless we also secure the notes on an equal or priority basis with the other secured indebtedness. Our promise, however, is subject to an important exception: we may secure indebtedness for borrowed money with pledges, liens and other encumbrance on those interests without securing the notes if our board of directors determines that such pledges, liens or other encumbrance do not materially detract from or interfere with the value or control of those interests, as of the date of such determination.

The restriction on liens described above does not restrict our ability to create liens on our interests in subsidiaries other than Goldman, Sachs & Co., nor does it restrict our ability to sell or otherwise dispose of our interests in any subsidiaries, including Goldman, Sachs & Co. In addition, the restriction on liens applies only to liens that secure debt for borrowed money. For example, liens imposed by operation of law, such as liens to secure statutory obligations for taxes or workers' compensation benefits or liens we create to secure obligations to pay legal judgments or surety bonds, would not be covered by the restriction.

The restrictions on liens described above do not apply to the Series G subordinated euro medium-term notes.

## Defeasance and Covenant Defeasance

### Full Defeasance

Unless we say otherwise in your final terms, the provisions for full defeasance will apply to any fixed rate note, the principal of (and premium, if any) and interest on which is payable in U.S. dollars, so long as the note does not include the provisions discussed under “— Payment of Additional Amounts” above.

If there is a change in U.S. federal tax law, as described below, we can legally release ourselves from all payment and other obligations on any notes. This is called full defeasance. For us to do so, each of the following must occur:

- we must deposit in trust for the benefit of all holders of those notes a combination of money and/or U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on those notes on their various due dates or, if we choose, on redemption;
- such deposit must be held in a non-interest bearing segregated trust account designated as a special deposit account pursuant to a written agreement, to be governed by the laws of the State of New York, between us and the defeasance trustee whereby title of such account is in the name of the defeasance trustee solely in its capacity as defeasance trustee and not in its capacity as a deposit bank;
- there must be a change in current U.S. federal tax law or an Internal Revenue Service ruling that lets us make the above deposit without causing the holders to be taxed on those notes any differently than if we do not make the deposit and just repaid those notes ourselves. Under current U.S. federal tax law, the deposit and our legal release from your note would be treated as though we took back your note and gave you your share of the cash and notes or bonds deposited in trust. In that event, you could recognize gain or loss on your note; and
- we must deliver to the fiscal agent and the defeasance trustee a legal opinion of our counsel confirming the tax law change described above.

Any right we have to redeem any notes will survive full defeasance with respect to those notes.

If we ever fully defeased your note, you would have to rely solely on the trust deposit for payments of your note. You would not be able to look to us for payment in the event of any shortfall.

### Covenant Defeasance

The provisions for covenant defeasance will apply to any fixed rate note, the principal of (and premium, if any) and interest on which is payable in U.S. dollars.

Under current U.S. federal tax law, we can make the same type of deposit described in this subsection under “— Full Defeasance” above and be released from our obligations described under “— Restriction on Liens” above and any other covenants relating to your note that may be described in your final terms. This is called covenant defeasance. In that event, you would lose the protection of those restrictive covenants (*i.e.*, a breach would no longer be an event of default with respect to the note). In order to achieve covenant defeasance for any notes, we must do both of the following:

- we must deposit in trust for the benefit of the holders of those notes a combination of money and/or U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on those notes on their various due dates or, if we choose, on redemption;
- such deposit must be held in a non-interest bearing segregated trust account designated as a special deposit account pursuant to a written agreement, to be governed by the laws of the State of New York, between us and the defeasance trustee whereby title of such account is in the name

of the defeasance trustee solely in its capacity as defeasance trustee and not in its capacity as a deposit bank; and

- we must deliver to the fiscal agent and the defeasance trustee a legal opinion of our counsel confirming that under current U.S. federal income tax law we may make the above deposit without causing the holders to be taxed on those notes any differently than if we do not make the deposit and just repaid those notes ourselves.

Any right we have to redeem the notes will survive covenant defeasance with respect to those notes.

If we accomplish covenant defeasance on your note, you can still look to us for repayment of your note in the event of any shortfall in the trust deposit. You should note, however, that if one of the remaining events of default occurred, such as our bankruptcy, and your note became immediately due and payable, there may be a shortfall. Depending on the event causing the default, you may not be able to obtain payment of the shortfall.

## **Events of Default and Remedies**

### **Series F Euro Medium-Term Notes**

When we refer to an event of default with respect to any issuance of the notes, we mean any of the following:

- we do not pay the principal or any premium on any of such notes on the due date;
- we do not pay interest on any of such notes within 30 days after the due date;
- we remain in breach of our covenant described under “— Restriction on Liens” above or any other covenant contained in the notes, or if applicable to the notes, the applicable fiscal agency agreement, for 60 days after we and the fiscal agent receive a notice of default stating that we are in breach and requiring us to remedy the breach. The notice must be sent by the holders of at least 10% in principal amount of the outstanding Series F notes;
- we file for bankruptcy or other events of bankruptcy, insolvency or reorganization relating to The Goldman Sachs Group, Inc. occur. Those events must arise under U.S. federal or state law, unless we merge, consolidate or sell our assets as described under “— Mergers and Similar Transactions” above and the successor firm is a non-U.S. entity. If that happens, then those events must arise under U.S. federal or state law or the law of the jurisdiction in which the successor firm is legally organized; or

### **Series G Subordinated Euro Medium-Term Notes**

The events of default for a Series G subordinated euro medium-term note will be limited to our filing for bankruptcy or the occurrence of other events of bankruptcy, insolvency or reorganization relating to The Goldman Sachs Group, Inc. The payment of principal of the subordinated notes may be accelerated only in certain events involving our bankruptcy, insolvency or reorganization (but not the bankruptcy, insolvency or reorganization of any of our subsidiaries) under Chapters 7 (liquidation) and 11 (reorganization) of the U.S. Bankruptcy Code. There will be no right of acceleration of the payment of principal of the Series G subordinated euro medium-term notes upon a default in the payment of principal, interest or any other amount (including upon redemption) on such notes or in the performance of any of our covenants or agreements contained in such notes. No such payment or performance default will result in an event of default under the Series G subordinated euro medium-term notes or permit any holders or the trustee to take action to endorse the notes, except that a holder will be entitled at any time to bring a lawsuit for the payment of money due on the notes of such holder.

### **Remedies**

If an event of default occurs and is continuing (the default not having been cured or waived as provided under “— Meetings, Modification and Waiver of Covenants” below), the holder of an affected

note may, at its option, by written notice to us and the fiscal agent, declare the principal of its note to be immediately due and payable

For the purpose of determining whether the holders of each of our Series F euro medium-term notes and our Series G subordinated euro medium-term notes are entitled to take any action under the applicable fiscal agency agreement, we will treat the outstanding face amount of each such note as the outstanding principal amount of that note. Although the terms of each note may differ from those of the other notes of the same series, holders of specified percentages in principal amount of all notes of each such series will be able to take action affecting all notes of such series. This action may involve changing some of the terms that apply to the notes of the relevant series, accelerating the stated maturity date of the notes of the relevant series after a default or waiving some of our obligations under the applicable fiscal agency agreement. These matters are discussed below under “— Events of Default and Remedies” and “— Meetings, Modification and Waiver of Covenants”.

### **Default Amount**

Unless the “Special Default Amount” is specified as “Applicable” in the applicable final terms in respect of a range accrual note, if an event of default occurs and the maturity of a note is accelerated, we will pay 100% of the face amount of the notes plus accrued but unpaid interest as of the date of acceleration, if any; provided however that if the note is a zero-coupon note or an original issue discount note, the amount payable on default will be 100% of the accreted value (as defined above under “— Interest Rates — Fixed Rate Notes”) as of the date of acceleration.

### ***Special Default Amount Option for Range Accrual Note***

If the “Special Default Amount” is specified as “Applicable” in the applicable final terms, if an event of default occurs and the maturity of a range accrual note is accelerated, we will pay the default amount on that note. We describe the special default amount below.

#### *Special Default Amount*

The special default amount for a range accrual note on any day will be an amount, in the specified currency of that note, equal to the cost of having a qualified financial institution, of the kind and selected as described below, expressly assume all our payment and other obligations with respect to that note as of that day and as if no default or acceleration had occurred, or to undertake other obligations providing substantially equivalent economic value to you with respect to that note. That cost will equal:

- the lowest amount that a qualified financial institution would charge to effect this assumption or undertaking, *plus*
- the reasonable expenses, including reasonable attorneys’ fees, incurred by the holder of that note in preparing any documentation necessary for this assumption or undertaking.

During the default quotation period for a range accrual note, which we describe below, the holder and/or we may request a qualified financial institution to provide a quotation of the amount it would charge to effect this assumption or undertaking. If either party obtains a quotation, it must notify the other party in writing of the quotation. The amount referred to in the first bullet point above will equal the lowest — or, if there is only one, the only — quotation obtained, and as to which notice is so given, during the default quotation period. With respect to any quotation, however, the party not obtaining the quotation may object, on reasonable and significant grounds, to the assumption or undertaking by the qualified financial institution providing the quotation and notify the other party in writing of those grounds within two business days after the last day of the default quotation period, in which case that quotation will be disregarded in determining the special default amount.

### *Default Quotation Period*

The default quotation period for a range accrual note is the period beginning on the day the special default amount first becomes due and ending on the third business day after that day, unless:

- no quotation of the kind referred to above is obtained, or
- every quotation of that kind obtained is objected to within five business days after the due day as described above.

If either of these two events occurs, the default quotation period will continue until the third business day after the first business day on which prompt notice of a quotation is given as described above. If that quotation is objected to as described above within five business days after that first business day, however, the default quotation period will continue as described in the prior sentence and this sentence.

In any event, if the default quotation period and the subsequent two business day objection period have not ended before the stated maturity date for any range accrual note, then the special default amount for that note will equal the payment amount of that note.

### *Qualified Financial Institutions*

For the purpose of determining the special default amount at any time, a qualified financial institution must be a financial institution organized under the laws of any jurisdiction in the United States of America or Europe, which at that time has outstanding debt obligations with a stated maturity of one year or less from the date of issue and rated either:

- A-1 or higher by Standard & Poor's Ratings Group or any successor, or any other comparable rating then used by that rating agency, or
- P-1 or higher by Moody's Investors Service, Inc. or any successor, or any other comparable rating then used by that rating agency.

### **Meetings, Modification and Waiver of Covenants**

Each fiscal agency agreement contains provisions for convening meetings of the holders of notes to consider matters affecting their interests. There are three types of changes which we can make to either the applicable fiscal agency agreement or any issuance of notes issued under that agreement.

### **Changes Requiring Each Holder's Approval**

First, there are changes that cannot be made without the approval of each holder of the note affected by the change under the applicable fiscal agency agreement. Here is a list of those types of changes:

- change the due date for the payment of principal of (or premium, if any) or any installment of interest on any note;
- reduce the principal amount of any note, the portion of the principal amount which is payable upon acceleration of the maturity of the note, the interest rate or the premium payable upon redemption of the note;
- change the currency of payment in which the principal, premium or interest of any note is payable;
- change our obligation, if any, to pay additional amounts;
- shorten the period during which redemption of the notes is not permitted or permit redemption during a period when not previously permitted;
- modify our obligation to maintain required offices at which any payments on the notes are payable;

- reduce the percentage in principal amount of the notes outstanding necessary to modify, amend or supplement the applicable fiscal agency agreement or the terms and conditions of the notes or to waive any past default or future compliance; or
- reduce the percentage of aggregate principal amount of the notes outstanding required for the adoption of a resolution or the quorum required at any meeting of holders of notes at which a resolution is adopted.

For the avoidance of doubt, we may make any change to a note where we have the consent of the holder of the note affected by the change and any such consent given by the holder will be binding on any successor holder of such note.

### **Changes Not Requiring Approval**

The second type of change does not require any approval by holders of the notes of an affected issuance. This type of change is limited to the following:

- for the purpose of adding to our covenants for the benefit of any holders of any notes;
- for the purpose of surrendering any right or power conferred upon us in any notes;
- for the purpose of evidencing the succession of another person or entity to us and the assumption by any such successor of our covenants and obligations in any notes or the applicable fiscal agency agreement;
- for the purpose of curing any ambiguity in, or of curing, correcting or supplementing any defective provision of, any note or the applicable fiscal agency agreement; or
- for the purpose of amending any note or the applicable fiscal agency agreement in any other manner which we and the fiscal agent may determine, provided that such amendment shall not be inconsistent with the notes of such series and shall not adversely affect the interest of any holder of any note of such series in any material respect.

We may also make changes or obtain waivers that do not adversely affect a particular issuance of notes, even if they affect other issuances of notes. In those cases, we do not need to obtain the approval of the holder of the unaffected notes; we need only obtain any required approvals from the holders of affected notes.

### **Changes Requiring the Approval of 66 2/3% of the Holders**

Any other change to a particular issuance of Series F euro medium-term notes or Series G subordinated euro medium-term notes would require the consent of at least 66 2/3% in aggregate principal amount of the affected notes at the time outstanding or the adoption of a resolution at a meeting of holders of the affected notes at which a quorum is present by 66 2/3% in aggregate principal amount of the affected notes then outstanding represented at such meeting. The same approval of 66 2/3% in aggregate principal amount of the affected notes then outstanding would be required for us to obtain a waiver of any of our covenants in the applicable fiscal agency agreement. Our covenants include the promises we make about merging and in the case of Series F euro medium-term notes putting liens on our interest in Goldman, Sachs & Co., which we describe under “— Mergers and Similar Transactions” and “— Restriction on Liens” above.

### **Special Rules for Action by Holders**

When holders take any action under the notes or the applicable fiscal agency agreement, such as giving a notice of default, declaring an acceleration, approving any change or waiver, we will apply the following rules.

## **Only Outstanding Notes Are Eligible**

Only holders of outstanding notes of the applicable issuance will be eligible to participate in any action by holders of notes of that issuance. Also, we will count only outstanding notes in determining whether the various percentage requirements for taking action have been met. For these purposes, a note will not be “outstanding”:

- if it has been surrendered for cancellation;
- if it is being held by the fiscal agent for re-issuance but has not yet been re-issued;
- if notes in lieu of or for substitution of the original notes have been authenticated and delivered;
- if we have deposited or set aside, in trust for its holder, money for its payment or redemption;
- if we have fully defeased it as described under “— Defeasance and Covenant Defeasance — Full Defeasance” above; or
- if we or one of our affiliates, such as Goldman Sachs International, is the owner.

## **Meetings and other Actions**

The quorum at any meeting called to adopt a resolution with respect to an issuance of notes will be persons holding or representing a majority in aggregate principal amount of that issuance of notes outstanding at the time and, at any reconvened meeting adjourned for lack of a quorum, 25% of the aggregate principal amount outstanding of that issuance of notes. For purposes of determining whether holders of the aggregate principal amount of notes required for any action or vote, or for any quorum, have taken such action or vote, or constitute such quorum, the principal amount of any particular note may differ from its principal amount at stated maturity but will not exceed its stated face amount upon original issuance, in each case if and as indicated in your final terms. Holders may be entitled to make, take or give certain requests, demands, authorizations, directions, notices, consents, waivers or other action, or to vote on certain actions, authorized or permitted by the applicable fiscal agency agreement with respect to the notes in accordance with the applicable procedures of the clearing systems and in accordance with such other reasonable procedures as we and the fiscal agent may agree.

## **Determining Record Dates for Action by Holders**

We will be entitled to set any day as a record date for determining which holders or beneficial owners of notes in global form will be entitled to make, take or give certain requests, demands, authorizations, directions, notices, consents, waivers or other action, or to vote on certain actions, authorized or permitted by the applicable fiscal agency agreement with respect to the notes. In addition, record dates for any note in global form may be set in accordance with procedures established by the relevant common depository or common safekeeper, as applicable, from time to time. Accordingly, record dates for notes in global form may differ from those for other notes.

## **Payment Mechanics for Notes**

### **Who Receives Payment?**

Interest will be payable to the person in whose name a registered note is registered at the close of business on the regular record date for the relevant interest payment date. However, interest payable at maturity but on a day that is not an interest payment date will be payable to the person to whom principal is payable. The first payment of interest on any registered note originally issued after a regular record date and before the next interest payment date will be made on the interest payment date following the next regular record date to the person in whose name the note is registered at the close of business on such next succeeding regular record date. The “regular record date” with respect to any global note will be the number of business day prior to each interest payment date (as such interest payment date may be adjusted in accordance with the business day convention) specified in the applicable final terms under “Regular Record Dates”, and the “regular record date” with respect to any non-global registered rate note

will be the date 15 calendar days prior to each interest payment date, whether or not such date is a business day. With respect to a global registered note issued under NSS, the record date will be first business day prior to each interest payment date.

### **How We Will Make Payments**

Payments of principal of (and premium, if any) and interest on all fixed rate notes and floating rate notes will be made in the applicable specified currency at the offices and agencies described below. Payments of principal of (and premium, if any) and interest on notes denominated in other than U.S. dollars, however, will nevertheless be made in U.S. dollars at our option in the case of imposition of exchange controls or other circumstances beyond our control as described in this subsection under “— When the Specified Currency Is Not Available” below.

### **Payment on Global Notes**

We will make payments on a global note in accordance with the applicable policies of each of Euroclear and Clearstream, Luxembourg or some other depositary or common safekeeper, as applicable, as in effect from time to time. Under those policies, we will pay directly to Euroclear and Clearstream, Luxembourg, and not to any indirect owners who own beneficial interests in the global note. An indirect owner's right to receive those payments will be governed by the rules and practices of Euroclear and Clearstream, Luxembourg and their participants, as described under “— Form, Exchange, Registration and Transfer” below.

### **Payment on Registered Notes**

We will make payments on a note in registered non-global form as follows. We will pay interest that is due on an interest payment date to the holder at his or her address shown on the register for such notes as of the close of business on the regular record date. We will make all other payments by check or via wire transfer at the corporate trust office of the fiscal agent in the Borough of Manhattan, New York City and at the office of the paying agent, against surrender of the note.

### **When the Specified Currency Is Not Available**

If we are obligated to make any payment in a specified currency other than U.S. dollars and the specified currency or any successor currency is not available to us due to circumstances beyond our control — such as the imposition of exchange controls or a disruption in the currency markets — we will be entitled to satisfy our obligation to make the payment in that specified currency by making the payment in U.S. dollars, on the basis of the exchange rate determined by the exchange rate agent described below, in its discretion.

The foregoing will apply to any note, whether in global or non-global form, and to any payment, including a payment at maturity. Any payments made under the circumstances and in a manner described above will not result in a default under any note.

### **Exchange Rate Agent**

If we issue a note in a specified currency other than U.S. dollars, we will appoint a financial institution to act as the exchange rate agent and will name the institution initially appointed when the note is originally issued in the applicable final terms. We may select Goldman Sachs International or another of our affiliates to perform this role. We may change the exchange rate agent from time to time after the original issue date of the notes without your consent and without notifying you of the change.

All determinations made by the exchange rate agent will be in its sole discretion unless we state in the applicable final terms that any determination requires our approval. In the absence of manifest error, those determinations will be conclusive for all purposes and binding on you and us, without any liability on the part of the exchange rate agent.



## **Payment When Offices Are Closed**

If any payment is due on a note on a day that is not a business day, we will make the payment on the next day that is a business day. Payments postponed to the next business day in this situation will be treated under the applicable note as if they were made on the original stated maturity date. Postponement of this kind will not result in a default under any note, and no interest will accrue on the postponed amount from the original stated maturity date to the next day that is a business day. The term business day has a special meaning which we describe under “— Features Common to All Notes — Business Days” above.

## **The Paying Agent**

We have initially appointed as paying agent The Bank of New York Mellon. We may at any time terminate the appointment of any paying agent and appoint additional or other paying agents. However, we will maintain a paying agent for payment of principal of (and premium, if any) and interest on the notes in one or more European cities, until all outstanding notes have been delivered to the fiscal agent for cancellation, or monies sufficient to pay the principal of (and premium, if any) and interest on all outstanding notes have been made available for payment and either paid or returned to us as provided in the notes. For so long as any notes are listed on the Official List of the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange shall so require, one of those paying agents will be in Luxembourg. Another of those paying agents shall be in a Member State of the European Union that will not be obliged to withhold or deduct tax on the notes pursuant to the EU Savings Directive or any other European Union Directive or agreement implementing the conclusion of the ECOFIN Council meeting of July 19, 2004 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, the EU Savings Directive or any other such directive or agreement. Notice of any such termination or appointment and of any changes in the office through which any paying agent will act will be given as described under “— Notices” below.

## **Unclaimed Payments**

All money paid by us to a paying agent that remains unclaimed at the end of two years after the amount is due and payable (whether it be principal (and premium, if any) or interest) to a holder will be paid to us. After that two-year period, the holder may look only to us for payment and not to the fiscal agent, any other paying agent or anyone else.

## **Form, Exchange, Registration and Transfer**

### **Registered Notes**

We will issue notes as global notes in registered form. If the notes are stated in the applicable final terms to be issued under NSS and that they are intended to be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations, then the notes will be registered in the name of a nominee for a common safekeeper for Euroclear and Clearstream, Luxembourg and we will deliver these notes to a common safekeeper for Euroclear and Clearstream, Luxembourg. Delivering the notes to a common safekeeper does not necessarily mean that the notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any time or all times during their life.

Global notes in registered form which are not issued under NSS will be deposited with, and registered in the name of a nominee of, a common depositary for Euroclear and Clearstream, Luxembourg or other clearing system as specified in the applicable final terms.

Investors may hold book-entry interests in a global note through organizations that participate, directly or indirectly, in the Euroclear and Clearstream, Luxembourg systems. Book-entry interests in the registered notes and all transfers relating to the registered notes will be reflected in the book-entry records of Euroclear and Clearstream, Luxembourg. The initial common depositary for Euroclear, Clearstream, Luxembourg will be The Bank of New York Mellon. The Depositary Trust Company will not be the depositary for the notes.

The distribution of the registered notes will be cleared through Euroclear and Clearstream, Luxembourg. Any secondary market trading of book-entry interests in the registered notes will take place through Euroclear and Clearstream, Luxembourg participants and will settle in same-day funds. Owners of book-entry interests in the notes will receive payments relating to their notes in U.S. dollars.

Euroclear and Clearstream, Luxembourg have established electronic securities and payment transfer, processing, depository and custodial links among themselves and others, either directly or through custodians and depositories. These links allow securities to be issued, held and transferred among the clearing systems without the physical transfer of certificates. Special procedures to facilitate clearance and settlement have been established among these clearing systems to trade securities across borders in the secondary market.

The policies of Euroclear and Clearstream, Luxembourg will govern payments, transfers, exchanges, setting of record dates and other matters relating to the investor's interest in securities held by them. We have no responsibility for any aspect of the records kept by Euroclear and Clearstream, Luxembourg or any of their direct or indirect participants. We also do not supervise these systems in any way.

Euroclear and Clearstream, Luxembourg and their participants perform these clearance and settlement functions under agreements they have made with one another or with their customers. You should be aware that they are not obligated to perform or continue to perform these procedures and may modify or discontinue them at any time.

Except as provided below, owners of beneficial interests in the registered notes will not be entitled to have the notes registered in their names, will not be entitled to receive physical delivery of the notes in definitive form and will not be considered the owners or holders of the registered notes under the fiscal agency agreement governing the notes. Accordingly, each person owning a beneficial interest in a registered note must rely on the procedures of the depository and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, in order to exercise any rights of a holder of notes.

Any note we issue may be represented by a master global note.

### ***Certificated Notes***

We will issue notes to you or your nominees, in fully certificated registered form, only if (1) we advise the fiscal agent in writing that both Euroclear and Clearstream, Luxembourg are no longer willing or able to discharge their responsibilities properly, and the fiscal agent or we are unable to locate qualified successors within 60 days; (2) an event of default with respect to the notes has occurred and is continuing under the notes; or (3) we, at our option, elect to terminate the book-entry system. If any of the three above events occurs, we will reissue the notes (as authenticated by the fiscal agent) in fully certificated, registered form and will recognize the registered holders of the certificated notes as holders under the fiscal agent agreement.

In the event individual certificates for the notes are issued, the holders of such notes will be able to receive payment on the notes, effect transfers and exchanges of the notes and replace lost, stolen, destroyed or mutilated notes at the offices of the Luxembourg paying and transfer agent. We have appointed Banque Internationale à Luxembourg, *société anonyme* as paying and transfer agent in Luxembourg with respect to the notes in individual certificated form, and as long as the notes are listed on the Official List of the Luxembourg Stock Exchange, we will maintain a payment and transfer agent in Luxembourg. If we add, replace or terminate a paying and transfer agent or fiscal agent, we will give notice in the manner described below.

Unless and until we issue the notes in fully certificated, registered form, (1) you will not be entitled to receive a certificate representing your interest in the notes; (2) all references in this European base prospectus to actions by holders will refer to actions taken by the depository, which may act upon instructions from direct participants in Euroclear or Clearstream, Luxembourg; and (3) all references in this European base prospectus to payments and notices to holders will refer to payments and notices to

the depository, as the registered holder of the notes, which may distribute them to you in accordance with its policies and procedures.

The fiscal agent will mail notices by first class mail, postage prepaid, to each holder's last known address as it appears in the security register that the fiscal agent maintains. The fiscal agent will only mail these notices to the registered holder of the notes, unless we reissue the notes to you or your nominees in fully certificated form.

### **Extensions for Further Issuances**

Without the consent of any holders or the fiscal agent, Goldman Sachs International or any other underwriter, dealer or agent or any other person, we may issue additional notes identical to a prior issue from time to time.

### **Other Exchanges**

Owners of certificated registered notes will be able to exchange them for registered notes of smaller denominations or combined into notes of larger denominations, as long as the total principal amount is not changed. If any registered note is partially redeemed, the owner may similarly exchange the unredeemed portion of a note.

Each note authenticated and delivered upon any transfer or exchange of any note (whether in whole or in part) will carry the same rights to future accrued interest and to interest accrued and unpaid that was carried by the surrendered note (or part thereof).

### **Special Considerations for Global Securities**

As an indirect owner, an investor's rights relating to a global security will be governed by the account rules of the depository and those of the investor's financial institution or other intermediary through which it holds its interest (e.g., if Euroclear or Clearstream, Luxembourg is the depository or common safekeeper), as well as general laws relating to securities transfers. We do not recognize this type of investor or any intermediary as a holder of securities and instead deal only with the depository or common safekeeper that holds the general security.

If securities are issued only in the form of a global security, an investor should be aware of the following:

- an investor cannot cause the securities to be registered in his or her own name, and cannot obtain non-global certificates for his or her interest in the securities, except in the special situations we describe below;
- an investor will be an indirect holder and must look to his or her own bank or broker for payments on the securities and protection of his or her legal rights relating to the securities;
- an investor may not be able to sell interests in the securities to some insurance companies and other institutions that are required by law to own their securities in non-book-entry form;
- an investor may not be able to pledge his or her interest in a global security in circumstances where certificates representing the securities must be delivered to the lender or other beneficiary of the pledge in order for the pledge to be effective;
- the depository's or common safekeeper's policies will govern payments, deliveries, transfers, exchanges, notices and other matters relating to an investor's interest in a global security, and those policies may change from time to time. We, the fiscal agent and any agent will have no responsibility for any aspect of the depository's or common safekeeper's policies, actions or records of ownership interests in a global security. We, the fiscal agent and any agent also do not supervise the depository or common safekeeper in any way;

- the depository or common safekeeper will require that those who purchase and sell interests in a global security within its book-entry system use immediately available funds and your broker or bank may require you to do so as well; and
- financial institutions that participate in the depository's or common safekeeper's book-entry system and through which an investor holds its interest in the global securities, directly or indirectly, may also have their own policies affecting payments, deliveries, transfers, exchanges, notices and other matters relating to the securities, and those policies may change from time to time. There may be more than one financial intermediary in the chain of ownership for an investor. We do not monitor and are not responsible for the policies or actions or records of ownership interests of any of those intermediaries.

### **Considerations Relating to Euroclear and Clearstream, Luxembourg**

Euroclear and Clearstream, Luxembourg are securities clearing systems in Europe. Both systems clear and settle securities transactions between their participants through electronic, book-entry delivery of securities against payment. In addition, Euroclear and Clearstream, Luxembourg may be depositories for a global security.

As long as a global note is held by Euroclear and Clearstream, Luxembourg, you may hold an interest in the global note only through an organization that participates, directly or indirectly, in Euroclear or Clearstream, Luxembourg.

As noted above, payments, deliveries, transfers, exchanges, notices and other matters relating to the notes made through Euroclear and Clearstream, Luxembourg must comply with the rules and procedures of those clearing systems. Those clearing systems could change their rules and procedures at any time. We have no control over those systems or their participants and we take no responsibility for their activities.

In addition, we may provide for other securities clearing systems and other depositories or common safekeepers in the applicable final terms.

### **Registration of Transfer**

Holders of registered notes may present them for registration of transfer (with the form of transfer properly executed and endorsed) or exchange at the corporate trust office of the fiscal agent or at the office of any transfer agent that we designate for that purpose. Holders will not be required to pay a service charge, but they may be required to pay for any tax or other governmental charge associated with the transfer or exchange, and as described in the applicable fiscal agency agreement. Unless we say otherwise in applicable final terms, the transfer or exchange, and any replacement, will be made only if our fiscal agent or transfer agent, as the case may be, is satisfied with the documents of title and the identity of the person making the request. The transfer or exchange may also be subject to reasonable regulations that we may from time to time agree upon with the fiscal agent and any transfer agent.

We have initially appointed as security registrar and transfer agent, the fiscal agent acting through its corporate trust office in the Borough of Manhattan, New York City. We have also appointed the paying agent listed at the end of this European base prospectus as a transfer agent of registered notes. If the registered notes in global form are cancelled and we issue notes in non-global form, as long as any notes are listed on the Official List of the Luxembourg Stock Exchange, holders of the non-global notes can transfer those notes at the offices of Banque Internationale à Luxembourg, *société anonyme*, or its successor as our transfer agent in Luxembourg. We will name any additional initial transfer agents for any issuance of notes in the applicable final terms. We reserve the right to vary or terminate the appointment of the fiscal agent as security registrar or of any transfer agent or to appoint additional or other registrars or transfer agents or to approve any change in the office through which any registrar or any transfer agent acts. However, there will be at all times a registrar and transfer agent in the Borough of Manhattan, New York City.

If any issuance of notes is redeemable and we redeem less than all those notes, we may block the transfer or exchange of those notes during the period beginning 15 days before the day we mail the notice of redemption and ending on the day of that mailing, in order to freeze the list of holders to prepare the mailing. We may also refuse to register transfers of or exchange any notes selected for redemption, except that we will continue to permit transfers and exchanges of the unredeemed portion of any notes being partially redeemed.

### **Payment of Stamp and Other Taxes**

We shall pay all stamp and other duties, if any, which may be imposed by the United States or any U.S. political subdivision or taxing authority with respect to the applicable fiscal agency agreement or the issuance of the notes. Except as described under “— Payment of Additional Amounts” above, we will not be required to make any payment with respect to any tax, assessment or governmental charge imposed by any government or any political subdivision or taxing authority.

### **Notices**

As long as any notes are listed on the Official List of the Luxembourg Stock Exchange and its rules require, notices to holders of notes will be given by publication in a daily newspaper of general circulation in Luxembourg, which we expect to be the *Luxemburger Wort*, or on the website of the LSE at <http://www.bourse.lu>. The term “daily newspaper” means a newspaper that is published on each day, other than a Saturday, Sunday or holiday, in Luxembourg or, when applicable, elsewhere in Western Europe. A notice will be considered received on the date it is first published. If notice cannot be given as described in this paragraph because the publication of any newspaper is suspended or it is otherwise impractical to publish the notice, then notice will be given in another form. That alternate form of notice will be sufficient notice to each holder. Notices to be given to holders of notes in registered form will be sent by mail to the respective addresses of the holders as they appear in the security register and will be deemed delivered when mailed. Neither the failure to give notice to a particular holder, nor any defect in a notice given to a particular holder, will affect the sufficiency of any notice given to another holder.

### **Title**

We, the fiscal agent and any of our agents or the fiscal agent may deem and treat the registered owner of any registered note as the absolute owner (whether or not the note is overdue and notwithstanding any notice to the contrary) for the purpose of making payment and for all other purposes.

### **Replacement of Notes**

If your notes become mutilated, destroyed, stolen or lost, we will replace them at your expense upon the delivery to the fiscal agent or the paying agent of the mutilated notes or evidence of the loss, theft or destruction satisfactory to the fiscal agent or the paying agent and us. In the case of a lost, stolen or destroyed note, an indemnity satisfactory to the fiscal agent or the paying agent and us may be required at your expense before a replacement note will be issued, we may require that you pay any taxes and other governmental charges payable in connection with the replacement of notes and any other expenses (including the fees and expenses of the fiscal agent) connected with the replacement.

## PLAN OF DISTRIBUTION

We and Goldman Sachs International, as the agent, have entered into a distribution agreement with respect to the notes. Subject to certain conditions, the agent has agreed to use its reasonable efforts to solicit purchases of notes. We have the right to accept offers to purchase notes and may reject any proposed purchase of the notes. The agent may also reject any offer to purchase notes.

We may also sell notes to the agent who will purchase the notes as principal for its own account. In that case, the agent will purchase the notes at a price equal to the issue price specified in the applicable final terms, less a discount. The discount will equal the applicable commission on an agency sale of the notes with the same stated maturity.

The agent may resell any notes it purchases as principal to other brokers or dealers at a discount, which may include all or part of the discount the agent received from us. If all the notes are not sold at the initial offering price, the agent may change the offering price and the other selling terms.

We may also sell notes directly to investors. We will not pay commissions on notes we sell directly.

The notes are not, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. (Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.)

The notes are a new issue of securities, and there will be no established trading market for any note before its original issue date. We have been advised by Goldman Sachs International that it intends to make a market in the notes. However, neither Goldman Sachs International nor any of our other affiliates nor any other agent named in your final terms that makes a market is obligated to do so and any of them may stop doing so at any time without notice. No assurance can be given as to the liquidity or trading market for the notes.

We may use this European base prospectus in the initial sale of any note. In addition, Goldman Sachs International or any of our other affiliates may use this European base prospectus in a market-making transaction in any note after its initial sale. Unless we (or our agent) inform the purchaser otherwise in the confirmation of sale, this European base prospectus is being used in a market-making transaction.

Goldman Sachs International has agreed in the distribution agreement that, with respect to all notes issued as a part of the same tranche (within the meaning of Regulation S under the Securities Act), it will not offer, sell or deliver such notes, (1) as part of their distribution at any time or (2) otherwise until 40 days after the later of (A) the completion of the distribution of such tranche of notes as determined by Goldman Sachs International and (B) the closing date of such tranche of notes (or such other date as The Goldman Sachs Group, Inc. may, in its sole discretion, deem necessary to comply with Regulation S) within the United States or to, or for the account or benefit of, U.S. persons except, in either case, in accordance with Regulation S under the Securities Act, and it will have sent to each dealer to which it sells such notes during the restricted period a confirmation or other notice describing the restrictions on offers and sales of notes within the United States or to, or for the account or benefit of, U.S. persons.

### Selling Restrictions

#### Public Offer Selling Restrictions Under the Prospectus Directive

In relation to each member state of the European Economic Area (which includes Iceland, Norway and Liechtenstein in addition to the member States of the European Union) which has implemented the Prospectus Directive, which we refer to as a Relevant Member State, Goldman Sachs International has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, which we refer to as the Relevant Implementation Date, it

has not made and will not make an offer of notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of notes to the public in that Relevant Member State:

- (a) if the final terms in relation to the notes specify that an offer of those notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State, which we refer to as a Non-exempt Offer, following the date of publication of a prospectus in relation to such notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of Goldman Sachs International nominated by The Goldman Sachs Group, Inc. for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of notes referred to in (b) to (d) above shall require The Goldman Sachs Group, Inc. or Goldman Sachs International to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of the preceding paragraph, the expression an “offer of notes to the public” in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU of the European Parliament and of the Council.

## **Other Selling Restrictions**

### **UK**

Goldman Sachs International has represented and agreed with The Goldman Sachs Group, Inc. that:

- (1) in relation to any notes that have a maturity of less than one year (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their businesses where the issue of the notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000, which we refer to as the FSMA, by The Goldman Sachs Group, Inc.
- (2) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any notes in circumstances in which Section 21(1) of the FSMA does not apply to The Goldman Sachs Group, Inc. and

- (3) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such notes in, from or otherwise involving the United Kingdom.

## **Japan**

The notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1998, as amended, the “FIEL”) and, accordingly, Goldman Sachs International has agreed that it will not offer or sell any notes, directly or indirectly, in Japan, or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEL and any other applicable laws, regulations and ministerial guidelines of Japan.

## **Hong Kong**

No advertisement, invitation or document relating to the notes may be issued, or may be in the possession of any person for the purpose of issue, (in each case whether in Hong Kong or elsewhere), if such advertisement, invitation or document is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside of Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong, the “SFO”) and any rules made thereunder. In addition, in respect of notes which are not a “structured product” as defined in the SFO, the notes may not be offered or sold by means of any document other than (i) to “professional investors” within the meaning of the SFO and any rules made thereunder; or (ii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies Ordinance (Cap 32, Laws of Hong Kong, the “CO”) or which do not constitute an offer to the public within the meaning of the CO.

## **Ireland**

Goldman Sachs International will be required to represent, warrant and agree that it has not offered, sold, placed or underwritten and that it will not offer, sell, place or underwrite the notes, or do anything in Ireland in respect of the notes, otherwise than in conformity with the provisions of:

(i) the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended by the Prospectus (Directive 2003/71/EC) (Amendment) Regulations 2012) and any rules issued by the Central Bank of Ireland under section 51 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 of Ireland (as amended) (the “2005 Act”);

(ii) the Companies Acts 1963 to 2012;

(iii) the European Communities (Markets in Financial Securities) Regulations 2007 (as amended) and it will conduct itself in accordance with any rules or codes of conduct and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank of Ireland; and

(iv) the Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued by the Central Bank of Ireland under section 34 of the 2005 Act, and will assist the Issuer in complying with its obligations thereunder.

## **Singapore**

The notes have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this European base prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under



Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Where the notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the notes pursuant to an offer made under Section 275 except: (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, to any person pursuant to an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA; (2) where no consideration is or will be given for the transfer; (3) where the transfer is by operation of law; (4) as specified in Section 276(7) of the SFA; or (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

### **Argentina**

The offering of notes has not been authorized by, and the notes have not been registered with, the Argentine Securities Commission (Comisión Nacional de Valores). The notes will not be offered or sold in Argentina except in transactions that will not constitute a public offering of securities within the meaning of Section 16 of the Argentine Public Offering Law No. 17,811, as amended.

### **Bahamas**

This European base prospectus in connection with the offer of notes by The Goldman Sachs Group, Inc. has not been registered with the Securities Commission of the Bahamas as the European base prospectus is exempted from the filing and registration requirements of the Securities Industry Act, 1999. No offer or sale of any notes of The Goldman Sachs Group, Inc. can be made in the Bahamas unless the offer of the notes is made by or through a broker-dealer licensed by the Securities Commission of the Bahamas and in compliance with Bahamian exchange control regulations.

### **Brazil**

The notes may not be offered or sold to the public in Brazil. Accordingly, the notes have not been and will not be registered with the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários), nor have they been submitted to the foregoing agency for approval. Documents relating to the notes, as well as the information contained therein, may not be supplied to the public in Brazil, as the offering of notes is not a public offering of securities in Brazil, nor used in connection with any offer for subscription or sale of securities to the public in Brazil. A seller of the notes may be asked by the purchaser to comply with procedural requirements to evidence previous title to the notes and may be subject to Brazilian tax on capital gains which may be withheld from the sale price. Persons wishing to offer or acquire the notes within Brazil should consult with their own counsel as to the applicability of these registration requirements or any exemption therefrom.

### **British Virgin Islands ("BVI")**

The notes may not be offered in the BVI unless The Goldman Sachs Group, Inc. or the person offering the notes on its behalf is licensed to carry on business in the BVI. The Goldman Sachs Group, Inc. is not licensed to carry on business in the BVI. The notes may be offered to British Virgin Islands business companies (from outside the BVI) without restriction. A BVI business company is a company formed under or otherwise governed by the BVI Business Companies Act, 2004 (British Virgin Islands).

## **Chile**

The notes have not been registered with the Superintendencia de Valores y Seguros in Chile and may not be offered or sold publicly in Chile.

## **Colombia**

The issuance of the notes, as well as trading and payments in respect of the notes, will occur outside Colombia.

Any promotional material in respect of the notes is for the sole and exclusive use of the purchaser of notes and cannot be understood as addressed to, or be used by, any third party.

The notes have not been and will not be offered in Colombia through a public offering pursuant to Colombian laws and regulations and neither will be registered in the Colombian National Registry of notes and Issuers or on the Colombian Stock Exchange.

The purchaser of notes acknowledges the Colombian laws and regulations (specifically foreign exchange and tax regulations) applicable to any transaction or investment made in connection with the notes and represents that he/she/it is the sole liable party for full compliance with any such laws and regulations.

The investment in the notes is a permitted investment for him/her/it under his/her/its corporate bylaws and/or particular investment regime that may be applicable.

## **Costa Rica**

This is an individual and private offer which is made in Costa Rica upon reliance on an exemption from registration before the General Superintendence of Securities (“SUGEVAL”), pursuant to articles 7 and 8 of the Regulations on the Public Offering of Securities (“Reglamento sobre Oferta Pública de Valores”). This information is confidential, and is not to be reproduced or distributed to third parties as this is NOT a public offering of securities in Costa Rica.

The product being offered is not intended for the Costa Rican public or market and neither is registered or will be registered before the SUGEVAL, nor can be traded in the secondary market.

## **Dominican Republic**

The issuance, circulation and offering of the notes has a strictly private character, falling beyond the scope of article 4 of Law 19-00 dated 8 May, 2000 and therefore no governmental authorizations are required in this issuance, circulation and offering.

## **Jersey**

Notes may not be offered to, or sold to or purchased or held by or for the account of individuals resident for income tax purpose in Jersey (other than financial institutions in the ordinary course of business).

In relation to any note, the relevant final terms may specify other or additional restrictions on offers or sales of such notes or possession or distribution of offering material relating to such notes or otherwise.

## **Liechtenstein**

Each purchaser of the notes represents and agrees that until the date on which the Prospectus Directive is implemented in Liechtenstein it has not made and will not make an offer of the notes to the

public in Liechtenstein in accordance with the provisions of the Prospectus Act of October 23, 1997 (Liechtenstein Legal Gazette 1997 No. 210).

### **Mexico**

The notes have not been and will not be registered with the Mexican National Securities Registry (Registro Nacional de Valores), maintained by the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria de Valores), and may not be offered or sold publicly in Mexico. The notes may be sold in Mexico, by any person, including The Goldman Sachs Group, Inc., pursuant to the private placement exemption set forth in Article 8 of the Mexican Securities Market Law (Ley del Mercado de Valores), to the purchasers of notes and under the terms specified in such Article.

### **Panama**

The notes have not been and will not be registered with the National Securities Commission of the Republic of Panama under Decree Law N°1 of July 8, 1999 (the "Panamanian Securities Act") and may not be publicly offered or sold within Panama, except in certain limited transactions exempt from the registration requirements of the Panamanian Securities Act. These notes do not benefit from the tax incentives provided by the Panamanian Securities Act and are not subject to regulation or supervision by the National Securities Commission of the Republic of Panama.

### **Paraguay**

This European base prospectus does not constitute a public offering of securities or other financial products and services in Paraguay. Each purchaser of notes acknowledges that the securities and financial products to be offered under this Program will be issued outside of Paraguay. Each purchaser of notes acknowledges that any legal matter arising from any offer of notes shall not be submitted to any Paraguayan government authority. Each purchaser of notes acknowledges as well that the Paraguayan Deposit Insurance legislation does not cover the products offered hereby or assets or funds allocated for these purposes. The Paraguayan Central Bank, the Paraguayan National Stock Exchange Commission and the Paraguayan Banking Superintendence do not regulate the offering of these products or their undertaking. Each purchaser of notes should make his own decision whether this offering meets his investment objectives and risk tolerance level.

### **Peru**

The notes have not been registered in Peru under the Decreto Supremo N° 093-2002-EF: Texto Único Ordenado del Decreto Legislativo No. 861 - Ley del Mercado de Valores and may be offered and sold only to institutional investors (as defined in Article 8 of the Peruvian Securities Law and the regulations enacted thereunder) pursuant to a private placement. The notes offered and sold in Peru may not be sold or transferred (A) to any person other than an institutional investor or (B) unless (1) such sale or transfer is made after such notes have been held by institutional investors for a cumulative period of twelve months, (2) such notes have been registered with the Registro Público del Mercado de Valores kept by the Comisión Nacional Supervisora de Empresas y Valores in Peru or (3) such sale or transfer is made pursuant to a private placement.

### **Salvador**

The recipient of this documentation hereby acknowledges and states that the same has been provided by The Goldman Sachs Group, Inc. under his direct and express request and instructions, on a private placement basis.

### **Spain**

The notes may not be listed, offered, sold or distributed in Spain, except in accordance with the requirements set out in Law 24/1988 of 28 July of Securities Markets, (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) as amended and restated (the "Securities Markets Law"), and Royal Decree

1310/2005, of 4 November, on admission to trading of securities in official secondary markets, public offerings and prospectus, (*Real Decreto 1310/2004, de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de Julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*), as amended and restated (the "Royal Decree 1310/2005"), or any other related regulations that may be in force from time to time, as further amended, supplemented or restated. This European base prospectus has not been and it is not envisaged to be approved by, registered or filed with, or notified to the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*). It is not intended for the public offering or sale of the notes in Spain and does not constitute a prospectus (registration document and securities note) for the public offering in Spain. Accordingly, no notes may be offered, sold, delivered, marketed nor may copies of this document or any other document relating to the notes be distributed in Spain, and Investors in the notes may not sell or offer such notes in Spain other than in compliance with the requirements set out by articles 30 bis of the Securities Markets Law and 38 of Royal Decree 1310/2005 so that any sale or offering of the notes in Spain is not classified as a public offering of securities in Spain.

### **Uruguay**

These notes have not been registered with the Central Bank of Uruguay and will not be offered or sold in Uruguay through public offerings.

### **Venezuela**

The notes may not be offered to the public in Venezuela and may not be sold or offered in Venezuela in any manner that may be construed as a public offering, as determined under Venezuelan securities laws. The notes may be sold by means of a private offer through sales that do not constitute a public offering, as determined under Venezuelan securities laws.

In connection with the issue of any tranche of notes, Goldman Sachs International (or persons acting on its behalf) may over-allot notes (provided that, in the case of any tranche of notes to be listed on the Official List of the Luxembourg Stock Exchange, the aggregate principal amount of notes allotted does not exceed 105 per cent of the aggregate principal amount of the relevant tranche) or effect transactions with a view to supporting the market price of the notes at a level higher than that which might otherwise prevail. However, there is no assurance that Goldman Sachs International (or persons acting on its behalf) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant tranche of notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant tranche of notes and 60 days after the date of the allotment of the relevant tranche of notes.

Goldman Sachs International is an affiliate of The Goldman Sachs Group, Inc.

We may appoint agents, other than or in addition to Goldman Sachs International, with respect to the notes. Any agents will be named in the applicable final terms and those agents will enter into distribution agreements with substantially the same terms as the distribution agreement referred to above or such other agreements as we and such other agents may agree. The other agents may be affiliates or customers of The Goldman Sachs Group, Inc. and may engage in transactions with and perform services for The Goldman Sachs Group, Inc. in the ordinary course of business. Goldman Sachs International may resell notes to or through another of our affiliates, as selling agent.

### **Market-Making Resales by Affiliates**

This European base prospectus may be used by Goldman Sachs International in connection with offers and sales of the notes in market-making transactions. In a market-making transaction, Goldman Sachs International may resell a note it acquires from other holders, after the original offering and sale of the note. Resales of this kind may occur in the open market or may be privately negotiated, at prevailing market prices at the time of resale or at related or negotiated prices. In these transactions, Goldman

Sachs International may act as principal or agent, including as agent for the counterparty in a transaction in which Goldman Sachs International acts as principal, or as agent for both counterparties in a transaction in which Goldman Sachs International does not act as principal. Goldman Sachs International may receive compensation in the form of discounts and commissions, including from both counterparties in some cases. Other affiliates of The Goldman Sachs Group, Inc. may also engage in transactions of this kind and may use this European base prospectus for this purpose.

The aggregate initial offering price specified on the cover of this European base prospectus relates to the initial offering of the notes not yet issued as of the date of this European base prospectus. This amount does not include the notes to be sold in market-making transactions. The latter include notes to be issued after the date of this European base prospectus, as well as notes previously issued.

The Goldman Sachs Group, Inc. does not expect to receive any proceeds from market-making transactions. Goldman Sachs International does not expect that The Goldman Sachs Group, Inc. or any other affiliate that engages in these transactions will pay any proceeds from its market-making resales to The Goldman Sachs Group, Inc.

Information about the trade and settlement dates, as well as the purchase, for a market-making transaction will be provided to the purchaser in a separate confirmation of sale.

*Unless The Goldman Sachs Group, Inc. or an agent informs you in your confirmation of sale that your note is being purchased in its original offering and sale, you may assume that you are purchasing your note in a market-making transaction.*

#### **Matters Relating to Initial Offering and Market-Making Resales**

Each issuance of notes will be a new issuance, and there will be no established trading market for any note prior to its original issue date. We may not list any particular issuance on a securities exchange or quotation system. We have been advised by Goldman Sachs International that it intends to make a market in the notes, and any underwriters to whom we sell notes for public offering may also make a market in those notes. However, neither Goldman Sachs International nor any underwriter that makes a market is obligated to do so, and any of them may stop doing so at any time without notice. No assurance can be given as to the liquidity or trading market for any of the notes.

#### **EMPLOYEE RETIREMENT INCOME SECURITY ACT**

*This section is only relevant to you if you are an insurance company or the fiduciary of a pension plan or an employee benefit plan (including a governmental plan, an IRA or a Keogh plan) proposing to invest in the notes.*

The U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and the U.S. Internal Revenue Code of 1986, as amended (the “Code”), prohibit certain transactions (“prohibited transactions”) involving the assets of an employee benefit plan that is subject to the fiduciary responsibility provisions of ERISA or Section 4975 of the Code (including individual retirement accounts, Keogh plans, and other plans described in Section 4975(e)(1) of the Code) (a “Plan”) and certain persons who are “parties in interest” (within the meaning of ERISA) or “disqualified persons” (within the meaning of the Code) with respect to the Plan; governmental plans may be subject to similar prohibitions unless an exemption is available to the transaction. The assets of a Plan may include assets held in the general account of an insurance company that are deemed to be “plan assets” under ERISA and assets of a commingled investment vehicle in which a Plan invests if the assets of the vehicle are deemed to be “plan assets” under ERISA.

The Goldman Sachs Group, Inc. and certain of its affiliates each may be considered a “party in interest” or a “disqualified person” with respect to many Plans, and, accordingly, prohibited transactions may arise if the notes are acquired by or on behalf of a Plan unless those notes are acquired and held

pursuant to an available exemption. In general, available exemptions are: transactions effected on behalf of that Plan by a “qualified professional asset manager” (prohibited transaction exemption 84-14) or an “in-house asset manager” (prohibited transaction exemption 96-23), transactions involving insurance company general accounts (prohibited transaction exemption 95-60), transactions involving insurance company pooled separate accounts (prohibited transaction exemption 90-1), transactions involving bank collective investment funds (prohibited transaction exemption 91-38), and transactions with service providers under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code where the Plan receives no less nor pays no more than “adequate consideration” (within the meaning of Section 408(b)(17) of ERISA and Section 4975(f)(10) of the Code). The person making the decision on behalf of a Plan or a governmental plan shall be deemed, on behalf of itself and the plan, by purchasing and holding the notes, or exercising any rights related thereto, to represent that (a) the plan will receive no less and pay no more than “adequate consideration” (within the meaning of Section 408(b)(17) of ERISA and Section 4975(f)(10) of the Code) in connection with the purchase and holding of the notes, (b) none of the purchase, holding or disposition of the notes or the exercise of any rights related to the notes will result in a non-exempt prohibited transaction under ERISA or the Code (or, with respect to a governmental plan, under any similar applicable law or regulation), and (c) neither The Goldman Sachs Group, Inc. nor any of its affiliates is a “fiduciary” (within the meaning of Section 3(21) of ERISA (or any regulations thereunder) or, with respect to a governmental plan, under any similar applicable law or regulation) with respect to the purchaser or holder in connection with such person’s acquisition, disposition or holding of the notes, or as a result of any exercise by The Goldman Sachs Group, Inc. or any of its affiliates of any rights in connection with the notes, and no advice provided by The Goldman Sachs Group, Inc. or any of its affiliates has formed a primary basis for any investment decision by or on behalf of such purchaser or holder in connection with the notes and the transactions contemplated with respect to the notes.

*If you are an insurance company or the fiduciary of a pension plan or an employee benefit plan (including a governmental plan, an IRA or a Keogh plan), and propose to invest in the notes, you should consult your legal counsel.*

## LISTING AND GENERAL INFORMATION

If indicated in the applicable final terms, application will be made to list the particular issue of notes issued under this European base prospectus on the Official List of the Luxembourg Stock Exchange.

Pursuant to Luxembourg law, this European base prospectus and all supplements to the European base prospectus, all documents incorporated by reference herein and filed with the Commission de Surveillance du Secteur Financier, and any final terms will be made available by the Luxembourg Stock Exchange on its website at <http://www.bourse.lu>.

As long as any notes are listed on the Official List of the Luxembourg Stock Exchange, The Goldman Sachs Group, Inc. will maintain a paying agent in Luxembourg. The paying agent and listing agent in Luxembourg is Banque Internationale à Luxembourg, *société anonyme*. We are under no obligation to maintain the listing of any notes that are listed.

As long as any notes remain outstanding, copies of The Goldman Sachs Group, Inc. Restated Certificate of Incorporation, Amended and Restated By-laws and most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K may be obtained during normal business hours on any weekday (*i.e.*, except Saturdays, Sundays and public holidays) at the specified office of, or upon written request to, the fiscal agent and, as long as any notes are listed on the Official List of the Luxembourg Stock Exchange and its rules require, free of charge at the office of the listing agent in Luxembourg. In connection with any note listed on the Luxembourg Stock Exchange, a copy of the final terms, the European base prospectus and supplements to the European base prospectus may be obtained from the listing agent. In addition, a copy of each fiscal agency agreement will be available for inspection at those offices during those hours.

Issues of notes denominated in Swiss francs will be effected in compliance with the relevant regulations of the Swiss National Bank.

The issuance of the notes has been authorized by resolutions adopted by the Board of Directors of The Goldman Sachs Group, Inc. on October 28, 2011 and a Determination of the Treasurer, dated October 31, 2011.

Our consolidated statements of financial condition as of December 31, 2011 and December 31, 2012, the related consolidated statements of earnings, cash flows and changes in shareholders' equity for the fiscal years ended December 31, 2010, December 31, 2011 and December 31, 2012, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2012 (which is included in management's report on internal control over financial reporting) are incorporated herein by reference to our Annual Report on Form 10-K for the fiscal year ended December 31, 2012 and have been audited by PricewaterhouseCoopers LLP, as stated in their issued unqualified audit opinion report incorporated by reference herein. No other information in this European base prospectus has been audited by PricewaterhouseCoopers LLP.

PricewaterhouseCoopers LLP, is an independent registered public accounting firm under the rules of the Public Company Accounting Oversight Board, of 300 Madison Avenue, New York, New York 10017, U.S.A., and a member of the American Institute of Certified Public Accountants.

Our board of directors has a written related person transactions policy regarding the review and approval of transactions between us and "related persons" (independent directors, executive officers, immediate family members of an independent director or executive officer, or known 5% shareholders). Under the policy, transactions that exceed \$120,000 in which a related person has a direct or indirect material interest are submitted to our Corporate Governance and Nominating Committee (or, in some cases, to the Committee Chair or Audit Committee Chair) for approval. Certain transactions including employment relationships, ordinary course brokerage and other services and other ordinary course non-preferential transactions are considered preapproved transactions, and thus do not require specific approval under the policy (although these transactions must be reported to the Committee).

In determining whether to approve a related person transaction, the following factors, among others, are considered: whether the transaction is fair and reasonable to us and on substantially the same terms as would apply to comparable third-parties; the business reasons for the transaction; whether the transaction would impair the independence of an independent director; whether the transaction presents a conflict of interest, taking into account the size of the transaction, the financial position of the independent director or executive officer, the nature of the independent director's or executive officer's interest in the transaction and the ongoing nature of the transaction; any disclosure or reputational issues; and whether the transaction is material, taking into account the significance of the transaction to our investors.

We are in compliance in all material respects with the corporate governance standards of the NYSE Euronext, which are applicable to us as a corporation organized in the United States whose securities are listed on such exchange.

We are registered in the State of Delaware in the United States. The Goldman Sachs Group, Inc. is organized and exists under the Delaware General Corporation Law. We filed our original certificate of incorporation with the Secretary of State of the State of Delaware on July 21, 1998. Pursuant to the laws of the State of Delaware, the duration of our company is unlimited. Our registration number is 2923466. Pursuant to the paragraph headed "Third" of the second clause our Amended and Restated Certificate of Incorporation, the purpose of our company is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law.

The business address of the directors of The Goldman Sachs Group, Inc. is the address of our headquarters.

## **Yield**

In relation to any tranche of fixed rate notes, an indication of yield in respect of such notes will be specified in the applicable final terms. The yield is calculated at the issue date of the notes on the basis of the relevant issue price. The yield indicated will be calculated as the yield to maturity as at the issue date of the notes and will not be an indication of future yield.

## **Material Adverse or Significant Changes and Legal Proceedings**

There has been no material adverse change in the prospects of The Goldman Sachs Group, Inc. since December 31, 2012.

There has been no significant change in the financial or trading position of The Goldman Sachs Group, Inc. subsequent to March 31, 2013.

In the foregoing statements required by the Prospectus Regulation, references to the "prospects" and "financial or trading position" of the Issuer, are specifically to the ability of the Issuer to meet its full payment obligations under the notes in a timely manner. Material information about our financial condition and prospects is included in the periodic reports on Forms 10-K, 10-Q and 8-K which are incorporated by reference into this Prospectus.

The Goldman Sachs Group, Inc. has not been involved in any governmental, legal or arbitration proceedings during the 12 months before the date of this European base prospectus which may have, or have had in the recent past, significant effects on The Goldman Sachs Group, Inc. financial position or profitability, except as may otherwise be indicated in (1) Part II, Item 8: Financial Statements and Supplementary Data — Note 27: Legal Proceedings of our 2012 Form 10-K; or (2) Part I, Item 1: Financial Statements — Note 27. Legal Proceedings of our 2013 First Quarter Form 10-Q.



## TAXATION

### UNITED STATES TAXATION

*United States Internal Revenue Service Circular 230 Notice: To ensure compliance with Internal Revenue Service Circular 230, prospective investors are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this European base prospectus or any document referred to herein is not intended or written to be used, and cannot be used by prospective investors for the purpose of avoiding penalties that may be imposed on them under the United States Internal Revenue Code; (b) such discussion is written for use in connection with the promotion or marketing of the transactions or matters addressed herein; and (c) prospective investors should seek advice based on their particular circumstances from an independent tax advisor.*

The following is a summary of the principal United States federal income and estate tax consequences to a United States alien holder. You are a United States alien holder if you are the beneficial owner of a note and are, for United States federal income tax purposes:

- a nonresident alien individual;
- a foreign corporation;
- a foreign partnership; or
- an estate or trust that in either case is not subject to United States federal income tax on a net income basis on income or gain for a note

that does not hold the note in connection with the conduct of a trade or business within the United States.

This summary deals only with notes that (i) are properly treated as debt for U.S. federal income tax purposes and (ii) do not provide for any payment that is wholly or partially contingent upon, or determined by reference to, the payment of a dividend from sources within the United States. The United States federal income tax consequences of owning notes that may not satisfy clauses (i) or (ii) above will be discussed in the applicable final terms.

This discussion assumes that the note is not subject to the rules of Section 871(h)(4)(A) of the United States Internal Revenue Code of 1986, as amended, relating to interest payments that are determined by reference to the income, profits, changes in the value of property or other attributes of the debtor or a related party.

Prospective purchasers of notes should be advised that any bank which purchases a note will be deemed to represent that it is not purchasing the note in the ordinary course of its lending business and that it is buying the note either (1) for investment purposes only or (2) for resale to a third party that either is not a bank or is holding the note for investment purposes only.

*Please consult your own tax advisor concerning the consequences of owning these notes in your particular circumstances under the Internal Revenue Code and the laws of any other taxing jurisdiction.*

Under United States federal income and estate tax law, and subject to the discussion of backup withholding and withholdable payments to foreign entities below, if you are a United States alien holder of a note:

- (1) we and other U.S. payors generally will not be required to deduct United States federal withholding tax from payments of principal and premium (if any) and interest, including original issue discount, to you if, in the case of payments of interest:

(a) you do not actually or constructively own 10% or more of the total combined voting power of all classes of our stock entitled to vote;

(b) you are not a controlled foreign corporation that is related to us through stock ownership;  
and

(c) the U.S. payor does not have actual knowledge or reason to know that you are a United States person and:

(A) you have furnished to the U.S. payor an Internal Revenue Service Form W-8BEN or an acceptable substitute form upon which you certify, under penalties of perjury, that you are not a United States person;

(B) in the case of payments made outside the United States to you at an offshore account (generally, an account maintained by you at a bank or other financial institution at any location outside the United States), you have furnished to the U.S. payor documentation that establishes your identity and your status as a person who is not a United States person;

(C) the U.S. payor has received a withholding certificate (furnished on an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form) from a person claiming to be:

(x) a withholding foreign partnership (generally a foreign partnership that has entered into an agreement with the Internal Revenue Service to assume primary withholding responsibility with respect to distributions and guaranteed payments it makes to its partners);

(y) a qualified intermediary (generally a non-United States financial institution or clearing organization or a non-United States branch or office of a United States financial institution or clearing organization that is a party to a withholding agreement with the Internal Revenue Service); or

(z) a United States branch of a non-United States bank or of a non-United States insurance company;

and the withholding foreign partnership, qualified intermediary or United States branch has received documentation upon which it may rely to treat the payment as made to a person who is not a United States person in accordance with United States Treasury regulations (or, in the case of a qualified intermediary, in accordance with its agreement with the Internal Revenue Service);

(D) the U.S. payor receives a statement from a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business:

(x) certifying to the U.S. payor under penalties of perjury that an Internal Revenue Service Form W-8BEN or an acceptable substitute form has been received from you by it or by a similar financial institution between it and you; and

(y) to which is attached a copy of the Internal Revenue Service Form W-8BEN or acceptable substitute form; or

(E) the U.S. payor otherwise possesses documentation upon which it may rely to treat the payment as made to a person who is not a United States person in accordance with United States Treasury regulations.

(2) no deduction for any United States federal withholding tax will be made from any gain that you realize on the sale or exchange of your note;

(3) a note held by an individual who at death is not a citizen or resident of the United States will not be includible in the individual's gross estate for purposes of the United States federal estate tax if:

(a) the decedent did not actually or constructively own 10% or more of the total combined voting power of all classes of our stock entitled to vote at the time of death; and

(b) the income on the note would not have been effectively connected with a United States trade or business of the decedent at the time of death.

### **Foreign Account Tax Compliance**

A law enacted in 2010 (commonly known as "FATCA") could impose a withholding tax of 30% on interest income (including original issue discount) and other periodic payments on notes paid to you or any non-U.S. person or entity that receives such income (a "non-U.S. payee") on your behalf, unless you and each non-U.S. payee comply with U.S. information reporting, withholding, identification, certification and related requirements. This withholding tax could also apply to all payments made upon maturity, redemption, or sale of certain notes by a non-compliant payee. In the case of a payee that is a non-U.S. financial institution (for example, a clearing system, custodian, nominee or broker), withholding generally will not be imposed if the financial institution collects and reports (to the U.S. or another relevant taxing authority) substantial information regarding such institution's U.S. account holders (which would include some account holders that are non-U.S. entities but have U.S. owners). Other payees, including individuals, may be required to provide proof of tax residence or waivers of confidentiality laws and/or, in the case of non-U.S. entities, certification or information relating to their U.S. ownership.

Withholding may be imposed at any point in a chain of payments if the payee is not compliant. A chain may work as follows, for example: we make payment on the notes to a paying/fiscal agent. The payment is transferred next to a clearing system, then to each of the clearing system's participants, and finally to a non-U.S. bank or broker through which you hold the notes, who credits the payment to your account. Accordingly, if you receive payments through a chain that includes one or more non-U.S. payees, such as a non-U.S. bank, broker or clearing system, the payment could be subject to withholding if, for example, your non-U.S. bank or broker through which you hold the notes fails to comply with these requirements and is subject to withholding. This would be the case even if you might not otherwise have been directly subject to withholding.

Some countries have entered into, and other countries are expected to enter into, agreements with the U.S. to facilitate the type of information reporting required under FATCA. While the existence of such agreements will not eliminate the risk that notes will be subject to the withholding described above, these agreements are expected to reduce the risk of the withholding for investors in (or indirectly holding notes through financial institutions in) those countries.

The withholding tax described above could apply to all interest and other periodic payments on the notes starting January 1, 2014. In addition, the withholding tax described above could apply to payments upon the maturity, redemption or sale of certain notes on or after January 1, 2017. We will not pay any additional amounts in respect of this withholding tax, so if this withholding applies, you will receive less than the amount that you would have otherwise received. Notes issued and outstanding as of December 31, 2013 generally should not be subject to this withholding tax, provided that after 2013 the terms of the notes are not modified in a way that would cause the notes to be treated as reissued for U.S. tax purposes.

Depending on your circumstances, you may be entitled to a refund or credit in respect of some or all of this withholding. However, the refund application process has not yet been finalized, so even if you are entitled to have any such withholding refunded, the required procedures could be cumbersome. You should consult your own tax advisors regarding FATCA. You should also consult your bank or broker

through which you would hold the notes about the likelihood that payments to it (for credit to you) may become subject to withholding in the payment chain.

In addition, your notes may also be subject to other U.S. withholding tax as described herein.

### **Backup Withholding and Information Reporting**

In general, payments of principal, premium (if any) or interest, including original issue discount, made by us and other payors to you will not be subject to backup withholding or information reporting provided that the certification requirements described in clause (1)(c) above are satisfied or you otherwise establish an exemption. We and other payors, however, are required to report payments of interest on your notes on Internal Revenue Service Form 1042-S, even if the payments are not otherwise subject to information reporting requirements.

In addition, payment of the proceeds from the sale of notes effected at a United States office of a broker will not be subject to backup withholding and information reporting provided that:

(1) the broker does not have actual knowledge or reason to know that you are a United States person and you have furnished to the broker:

(a) an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form certifying, under penalties of perjury, that you are not a United States person; or

(b) other documentation upon which the broker may rely to treat the payment as made to a person who is not a United States person in accordance with United States Treasury regulations; or

(2) you otherwise establish an exemption.

If you fail to establish an exemption and the broker does not possess adequate documentation of your status as a person who is not a United States person, the payments may be subject to information reporting and backup withholding. However, backup withholding will not apply with respect to payments made to an offshore account maintained by you unless the broker has actual knowledge that you are a United States person.

In general, payment of the proceeds from the sale of notes effected at a foreign office of a broker will not be subject to information reporting or backup withholding. However, a sale effected at a foreign office of a broker will be subject to information reporting and backup withholding if:

(1) the proceeds are transferred to an account maintained by you in the United States;

(2) the payment of proceeds or the confirmation of the sale is mailed to you at a United States address; or

(3) the sale has some other specified connection with the United States as provided in United States Treasury regulations;

unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above (relating to a sale of notes effected at a United States office of a broker) are met or you otherwise establish an exemption.

In addition, payment of the proceeds from the sale of notes effected at a foreign office of a broker will be subject to information reporting, but not backup withholding, if the broker is:

(1) a United States person;

- (2) a controlled foreign corporation for United States tax purposes;
- (3) a foreign person 50% or more of whose gross income is effectively connected with the conduct of a United States trade or business for a specified three-year period; or
- (4) a foreign partnership, if at any time during its tax year:
  - (a) one or more of its partners are "U.S. persons", as defined in United States Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership; or
  - (b) such foreign partnership is engaged in the conduct of a United States trade or business;

unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above (relating to a sale of notes effected at a United States office of a broker) are met or you otherwise establish an exemption.

### **EU SAVINGS DIRECTIVE**

On June 3, 2003, the EU Council of Economic and Finance Ministers adopted the EU Savings Directive. The EU Savings Directive is, in principle, applied by Member States as from July 1, 2005 and has been implemented in Luxembourg by the Laws (as defined above). Under the EU Savings Directive, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income within the meaning of the EU Savings Directive paid by a paying agent within the meaning of the EU Savings Directive, to, or for the benefit of, an individual or certain Residual Entities (as defined above), resident or established in that other Member State (or certain dependent or associated territories). For a transitional period, however, Austria and Luxembourg are permitted to apply an optional information reporting system whereby if a beneficial owner, within the meaning of the EU Savings Directive, does not comply with one of two procedures for information reporting, the relevant Member State will currently levy a 35% withholding tax on payments to such beneficial owner. The withholding tax system will apply for a transitional period which will terminate at the end of first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

Also with effect from July 1, 2005, a number of non-EU countries (Switzerland, Andorra, Liechtenstein, Monaco and San Marino) have agreed to adopt similar measures (either provision of information or transitional withholding) in relation to payments made by a paying agent within its jurisdiction to, or collected by such a paying agent for, an individual resident in or a Residual Entity established in a Member State. In addition, Luxembourg has entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories (Jersey, Guernsey, Isle of Man, Aruba, Montserrat, British Virgin Islands, Curaçao, Sint Maarten as well as Bonaire, Saba and Saint Eustatius) in relation to payments made by a paying agent in Luxembourg to, or collected by such a paying agent for, an individual resident in, or a Residual Entity established in, one of those territories and other Member States have entered into similar arrangements.

The European Commission has proposed certain amendments to the EU Savings Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

## AUSTRIA

*The following is a brief overview of Austrian (income) tax aspects in connection with the notes. It does not claim to fully describe all Austrian tax consequences of the acquisition, ownership, disposition or redemption of the notes. In some cases a different tax regime may apply. As under the program different types of notes may be issued, the tax treatment of such notes can be different due to their specific terms. Further, this overview does not take into account or discuss the tax laws of any country other than Austria nor does it take into account the investors' individual circumstances. Prospective investors are advised to consult their own professional advisors to obtain further information about the tax consequences of the acquisition, ownership, disposition, redemption, exercise or settlement of any of the notes. Only personal advisors are in a position to adequately take into account special tax aspects of the particular notes in question as well as the investor's personal circumstances and any special tax treatment applicable to the investor. Tax risks resulting from the notes (in particular from a potential qualification as a foreign investment fund within the meaning of sec 188 of the Austrian Investment Funds Act) shall in any case be borne by the investors.*

*This overview is based on Austrian law as in force as of the date of this European base prospectus. The laws and their interpretation by the tax authorities may change and such changes may also have retroactive effect. With regard to certain innovative or structured financial notes or instruments there is currently neither case law nor comments of the financial authorities as to the tax treatment of such financial notes and instruments. Accordingly, it cannot be ruled out that the Austrian financial authorities and courts or the Austrian paying agents adopt a view different from that outlined below.*

### **Individual Investors**

*Individual is Austrian resident or has his/her habitual abode in Austria*

All payments of interest and principal by the Issuer under the notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Austria or any political subdivision or taxing authority thereof or therein, in accordance with the applicable Austrian law, subject however to:

The application of 25% Austrian withholding tax (*Kapitalertragsteuer*), if income from the notes is paid out by a custodian or a paying agent (credit institutions including Austrian branches of foreign credit institutions paying out the income to the holder of the notes (*depotführende oder auszahlende Stelle*)) located in Austria. The term "income from the notes" includes (i) interest payments as well as (ii) income, if any, realized upon redemption or prior redemption or (iii) income realized upon sale of the notes (capital gains). In the case of notes that are performance linked (e.g., structured notes, index certificates) with reference items such as shares, bonds, certificates, indices, commodities, currency exchange rates, fund shares, future contracts, interest rates or baskets of such assets including discounted share certificates and bonus certificates, the total capital gains would be treated as income from derivative financial instruments. Additional special rules on deducting 25% withholding tax apply to cash or share notes.

In case no withholding tax is levied on income from the notes (i.e., interest income is not paid out by a custodian or paying agent in Austria), Austrian resident individual investors will have to declare the income derived from the notes in their income tax returns pursuant to the Austrian Income Tax Act. In this case the income from the notes is subject to a flat income tax rate of 25% pursuant to section 27a subpara 1 of the Austrian Income Tax Act provided that the notes are in addition legally and factually offered to an indefinite number of persons.

Upon relocation abroad investment income until the time of relocation is taxable in Austria. However, in case of relocation within the European Union or the European Economic Area (under certain conditions regarding assistance among the authorities) taxation can be postponed upon actual realization of the income based on a respective application. Special rules also apply to the transfer of a custodian account from Austria abroad.

The 25% withholding tax generally constitutes a final taxation (*Endbesteuerung*) for all Austrian resident individuals, if they hold the notes as a non-business asset under the condition that the notes are in addition legally and factually offered to an indefinite number of persons (i.e., public placement or public offering of the Notes). Final taxation means that no further income tax will be assessed and the income is not to be included in the investor's income tax return. In case of an average income tax rate below 25%, the income may, nevertheless, be included in the individual tax return and the withholding tax is credited against income tax or paid back, respectively. Loss compensation to a certain extent is applicable under certain conditions.

#### *Risk of Requalification*

Further, special withholding tax rules will apply if a requalification of any of the notes into units of a foreign investment fund in the meaning of section 188 of the Austrian Investment Funds Act takes place. Pursuant to section 188 of the Austrian Investment Funds Act, a foreign investment fund is defined as any assets subject to a foreign jurisdiction which, irrespective of the legal form they are organized in, are invested according to the principle of risk-spreading on the basis either of a statute, of the entity's articles of association or of customary exercise. This term, however, does not encompass collective real estate investment vehicles pursuant to section 20 of the Austrian Real Estate Funds Act (*Immobilien-Investmentfondsgesetz*). In this respect it should be noted that the Austrian tax authorities have commented upon the distinction between index certificates of foreign issuers on the one hand and foreign investment funds on the other hand in the Investment Fund Regulations. Pursuant to these Investment Fund Regulations, a foreign investment fund may be assumed if for the purpose of the issuance a predominant actual purchase of the reference asset by the issuer or a trustee of the issuer, if any, is made or actively managed assets exist. Direct held debt notes, whose performance depend on an index, should not be seen as foreign investment funds.

#### *Individual is not Austrian resident or has his/her habitual abode in Austria*

In case of non-residents holders of the notes, Austrian withholding tax will apply on resulting interest payments and capital gains, provided that such payments are made by a custodian or paying agent in Austria. If the non-resident individual investors are not subject to limited income tax liability in Austria with the income from such notes (e.g., if the investor does not have an Austrian permanent establishment (*Betriebsstätte*) the notes are attributable to), but if at the same time the income is subject to withholding by virtue of an Austrian custodian or paying agent, the withholding tax will be refunded upon the investor's application. The Austrian Ministry of Finance has also provided for the possibility for the non-resident investor to furnish proof of non-residency, in which case the Austrian custodian or paying agent may refrain from withholding already at source.

#### ***Corporations / Private Foundations***

Corporate investors deriving business income from the notes may avoid the application of withholding tax by filing a declaration of exemption (*Befreiungserklärung*) in the meaning of section 94 no 5 of the Austrian Corporate Income Tax Act with the custodian or paying agent. Otherwise the withholding tax is credited against corporate income tax. Generally, income from the notes is subject to corporate income tax at a rate of 25%.

In case of private foundations pursuant to the Austrian Private Foundations Act fulfilling the prerequisites contained in section 13 subpara 1 of the Austrian Corporate Income Tax Act and holding the notes as a non-business asset no withholding tax is levied on income on such notes under the conditions set forth in section 94 no 12 of the Austrian Income Tax Act. However, on income from the notes an interim tax (*Zwischensteuer*) at a rate of 25% is levied. This interim tax can be credited against withholding tax for amounts granted to beneficiaries of the private foundation pursuant to the Austrian Private Foundations Act.

### ***Austrian Implementation of the EU Savings Directive***

Austria implemented the European Union Savings Directive with the Austrian EU With-holding Tax Act 2004, which may be applicable if a paying agent in Austria (which might be, e.g., any Austrian bank holding a notes account for a holder of Notes) pays out interest within the meaning of the European Union Savings Directive to a beneficial owner who is an individual resident in another Member State than Austria, provided that no exception from such withholding applies. The withholding tax amounts to 35%. Regarding the issue of whether certificates are subject to the withholding tax, the Austrian tax authorities distinguish between certificates with and without a capital guarantee (a capital guarantee being the promise of a repayment of a minimum amount of the capital invested or the promise of the payment of interest), with the reference items being of relevance. Furthermore, pursuant to the guidelines published by the Austrian Federal Ministry of Finance, income from derivatives, such as futures, options or swaps, does, in general, not qualify as interest in the meaning of the Austrian EU Withholding Tax Act.

### ***Responsibility for Withholding of Taxes***

The Issuer is not liable for the withholding of taxes at source. Withholding tax is levied by an Austrian custodian or paying agent.

### ***Inheritance and Gift Tax***

In Austria, no inheritance and gift tax is levied any more. Gifts are, however, to be notified to the tax authorities. This applies if the donor or the acquirer is an Austrian tax resident at the time of the donation. In case of corporations, the registered seat or the actual place of management in Austria is relevant. Exemptions apply to donations between close family members if the value of the gift(s) does not exceed EUR 50,000 within one year and to donations between other persons if the value of the gift(s) does not exceed EUR 15,000 within five years. Although this disclosure requirement does not trigger any tax for the donation in Austria, breach of the disclosure requirement may be fined with an amount up to 10% of the value of the gift.

## **BELGIUM**

*The following is a general description of certain Belgian withholding tax considerations relating to the notes. It specifically contains information on taxes on the income from the notes withheld at source and provides an indication as to whether the Issuer assumes responsibility for the withholding of taxes at the source. It does not purport to be a complete analysis of all tax considerations relating to the notes, whether in Belgium or elsewhere. Prospective purchasers of the notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the notes, payments of interest, principal and/or other amounts under the notes and the consequences of such actions under the tax laws of Belgium. This overview is based upon the law as in effect on the date of this European base prospectus. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the notes.*

If the Issuer is making payments in respect of the notes, which qualify as "interest" for Belgian tax purposes, and these payments are made to investors via a Belgian paying agent or other financial intermediary established in Belgium, then a 25 per cent. withholding tax will normally apply, save where an exemption is applicable (e.g. for interest payments made by non-residents (like the Issuer) to non-resident investors which are not imputed on the results of a Belgian establishment of the debtor and which are made through regulated financial intermediaries (including licensed clearing institutions) established in Belgium, subject to compliance with some certification requirements). This withholding tax is the final tax for private individuals and non-profit legal entities resident in Belgium and constitutes an advance tax payment for individual professional investors and companies established in Belgium, which is creditable against their final income tax assessment and any excess withholding may be refundable.



As non-resident of Belgium, not acting through a Belgian establishment or branch office, the Issuer does not assume responsibility for the Belgian withholding tax referred to above.

## **BULGARIA**

To the extent that (a) the Issuer of the notes under this European base prospectus is a non-Bulgarian entity and (b) any payments under the notes will be paid by non-Bulgarian entities, no withholding tax will be imposed in Bulgaria on the income from the notes.

## **CZECH REPUBLIC**

*The following is a brief overview of the Czech (income) tax aspects in connection with the notes. It does not claim to fully describe all the Czech tax consequences of the acquisition, ownership, disposition or redemption of the notes. In some cases a different tax regime may apply. As under the Program different types of notes may be issued, the tax treatment of such notes may be different due to their specific terms. Further, this overview does not take into account or discuss the tax laws of any country other than the Czech Republic, nor does it take into account the investors' individual circumstances. Prospective investors are advised to consult their own professional advisors to obtain further information about the tax consequences of the acquisition, ownership, disposition, redemption, exercise or settlement of any of the notes. Only personal advisors are in a position to adequately take into account special tax aspects of the particular notes in question as well as the investor's personal circumstances and any special tax treatment applicable to the investor. Tax risks resulting from the notes shall in any case be borne by the investors.*

*This overview is based on Czech law as in force as of the date of this European Base Prospectus. The laws and their interpretation by the tax authorities may change and such changes may also have retroactive effect. With regard to certain innovative or structured financial notes or instruments there is currently neither any case-law nor comments of the tax authorities as to the tax treatment of such financial notes and instruments. Accordingly, it cannot be ruled out that the Czech tax authorities and courts or the Czech paying agents adopt a view different from that outlined below.*

### ***Individual Investors***

All payments of interest and principal by the Issuer under the notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Czech taxing authority.

Interest (which includes also proceeds as the difference between a notes' nominal value, redemption amount, and lower issue price) paid to an individual who is a Czech tax resident (or to a Czech permanent establishment of an individual who is not a Czech tax resident) is subject to tax in the amount of 15%.

Profit from the sale of notes generated by an individual who is a Czech tax resident, or by a Czech tax non-resident through its permanent establishment located in the Czech Republic, is included in the general income tax base and is subject to the 15% income tax. In general, a loss suffered by this category of taxpayers in sales of notes is non-deductible; however, under certain conditions, the loss and the profit from the sale of notes and other securities may be offset, with the ultimate result being generally tax-deductible.

Income generated in the sale of notes by individuals whose total direct and indirect share in the registered capital and voting rights of the company did not exceed 5% in the 24 months prior to the sale of the securities may be exempt from the income tax under specific conditions, provided that the purchase and the sale of the notes are separated by a period of no less than six months. Income generated in the sale of notes by individuals in other cases is exempt from the income tax under specific

conditions, provided that the purchase and the sale of the notes are separated by a period of no less than five years.

In case of non-resident holders of the notes no Czech tax will apply to the resulting interest payments and capital gains (we suppose that the investor does not have a Czech permanent establishment the notes are attributable to).

### ***Corporations***

Interest (which also includes proceeds as the difference between the Notes' nominal value, redemption amount, and its lower issue price) paid to a legal entity that is a Czech tax resident (or to a Czech permanent establishment of a legal entity that is not a Czech tax resident) is included in the general tax base and is subject to the applicable corporate income tax rate (amounting to 19% in 2013).

Profit from the sale of notes generated by a legal entity that is a Czech tax resident, or by a Czech tax non-resident through its permanent establishment located in the Czech Republic, is included in the general corporate income tax base and is subject to income tax (amounting to 19% in 2013). In general, a loss suffered by this category of taxpayers in sales of notes is tax-deductible.

In case of non-resident holders of the notes no Czech tax will apply to the resulting interest payments and capital gains (we suppose that the investor does not have a Czech permanent establishment the notes are attributable to).

### ***Inheritance and Gift Tax***

Gifts and inheritance are subject to gift and inheritance tax according to the Inheritance, Gift, Real Estate Transfer Taxes Act. The rates of the gift and inheritance tax are progressive. Exemptions apply to donations and inheritance between close family members.

## **DENMARK**

*The following is an overview description of the taxation in Denmark of the notes according to the Danish tax laws in force as of the date of this prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following overview does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the notes, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as professional dealers in securities) may be subject to special rules. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment, holding and disposal of the notes. The Issuer makes no representations regarding the tax consequences of purchase, holding or disposal of the notes.*

### ***Taxation at source***

Under existing Danish tax laws, no general withholding tax or coupon tax will apply to payments of interest or principal or other amounts due on the notes, other than in certain cases on payments in respect of controlled debt in relation to the Issuer as referred to in The Danish Corporation Tax Act (in Danish "Selskabsskatteloven") of 14 November 2012 (as amended). This will not have any impact on holders of notes who are not in a relationship whereby they control, or are controlled by, the Issuer or where the holders of the notes and shares of the Issuer are not controlled by the same group of persons.

### **Resident holders of notes**

Private individuals, including individuals who are engaged in financial trade, companies and similar enterprises resident in Denmark for tax purposes or receiving interest on the notes through their permanent establishment in Denmark are liable to pay tax on such interest.

Capital gains and losses are taxable to individuals and corporate entities in accordance with the Danish Capital and Exchange Gains Act (in Danish "Kursgevinstloven") of 14 November 2012 (as amended) (the "Act"). Gains and losses on notes issued to corporate entities are included in the taxable income in accordance with a mark-to-market principle (in Danish "lagerprincippet"), i.e. on an unrealized basis.

Gains and losses on notes issued to individuals are generally included in the taxable income on a realized basis. However, the gain or loss will only be included in the taxable income when the net gain or loss for the year on debt claims, net gains/losses on debt denominated in foreign currency and gains/losses on investment certificates in bond-based investment funds subject to minimum taxation in total exceeds DKK 2,000.

A variety of features regarding interest and principal may apply to the notes. The applicable taxation of capital gains to corporate entities or individuals will depend on the features applicable to the notes in question.

#### **Structured notes**

Structured notes can be designed in many ways and with many different underlying assets or in a way that the yield will depend on various index or currency flows. When structured notes are issued the following tax rules apply.

### **FINLAND**

*The following overview relates only to Finnish withholding tax issues with respect to payments made in respect of the notes to persons who are generally liable to tax on Finland (i.e. persons that are resident of Finland for tax purposes). The overview does not deal with any other Finnish tax implications of acquiring, holding or disposing of the notes. Investors are advised to seek professional advice relating to other tax implications in respect of acquiring, holding or disposing of the notes.*

As the Issuer is not resident in Finland for tax purposes, there is no Finnish withholding tax (Fi. *lähdevero*) applicable to the payments made by the Issuer in respect of the notes.

However, Finland operates a system of preliminary taxation (Fi. *ennakonpidätysjärjestelmä*) to secure payment of taxes in certain circumstances. In the context of the notes, a tax of 30 per cent will be deducted and withheld from all payments that are treated as interest or as compensation comparable to interest, when such payments are made by a Finnish Paying Agent to individuals. Any preliminary tax (Fi. *ennakonpidätys*) will be used for the payment of the individual's final taxes (i.e. they will be credited against the individual's final tax liability).

## FRANCE

*The following is a general description of the French withholding tax treatment of income from the notes. It does not purport to be a complete analysis of all tax considerations relating to the notes, whether in France or elsewhere. In particular, it does not describe the French tax treatment applicable to holders of notes who are tax residents of France, except in relation to French withholding tax on interest and does not discuss any other French tax such as French registration duties or French tax on financial transactions. Prospective purchasers of the notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the notes and receiving payments of interest, principal and/or other amounts under the notes and the consequences of such actions under the tax laws of France. This overview is based upon the law as in effect on the date of this Base Prospectus, which may change at any time, possibly with retrospective effect.*

Payments of interest (and principal) by the Issuer under the notes may in principle be made without any compulsory withholding or deduction for or on account of French income taxes to the extent that the Issuer is not incorporated in France or otherwise acting through a French establishment.

However, if such payments are made to French resident individuals and regarded as interest or assimilated income (e.g. reimbursement premium) for French tax purposes, the paying agent could be subject to withholding obligations. In that case, social contributions of currently 15.5 per cent. and the 24 per cent. income tax prepayment, applicable in principle to interest and assimilated income received by French resident individuals, would generally need to be withheld and reported by the paying agent, if the paying agent is established in France (exceptions may however apply depending on level of income of the taxpayer). If the paying agent is established outside France, it is in principle not involved in this withholding obligation, unless it is established in an EU or EEA member state and has been expressly appointed by the French taxpayer to do so.

The EU Savings Directive has been implemented in French law under article 242 ter of the French Code Général des Impôts. These provisions impose on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State (or certain territories), including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest (within the meaning of the EU Savings Directive) paid to that beneficial owner.

## GERMANY

*The following is a general description of certain German withholding tax considerations relating to the payment of principal and interest in respect of the notes. It does not purport to be a complete analysis of all tax considerations relating to the notes and does not deal with other tax aspects of acquiring, holding or disposing of the notes. It relates only to persons who are the absolute beneficial owners of notes and any related coupons and may not apply to certain classes of holders. In addition, these comments may not apply where interest on the notes is deemed to be the income of any other person for tax purposes. This overview is based upon the law as in effect on the date of this European base prospectus and is subject to any change in law that may take effect after such date even with retrospective effect. The following is a general guide which is limited to withholding tax issues and should be treated with appropriate caution.*

*Taxation and its effects depend on the individual circumstances of the taxpayer. Prospective purchasers of notes should, therefore, consult their tax advisers as to the tax consequences of such purchase applicable to their particular situation under the tax laws of the country in which they are resident for tax purposes and under the tax laws of the Federal Republic of Germany and taking into account the final terms.*

*The Issuer does not assume responsibility for any withholding of taxes at the source.*

## ***Withholding Tax***

### *Tax residents*

The following paragraphs only apply to German tax residents, i.e. persons whose residence, habitual abode, statutory seat, or place of effective management and control is located in Germany.

A German branch of a German or non-German bank or of a German or non-German financial services institution, or a German securities trading bank or business (each a "German Disbursing Agent") which holds notes in custody, administers them or effects a sale of the notes is in principle obliged to withhold withholding tax and pay it to the German tax authorities. Withholding tax, if applicable, is levied at a uniform rate of 25 per cent. (in all cases plus solidarity surcharge thereon of 5.5 per cent. and church tax at rates of either 8 or 9 per cent., if applicable).

Where notes are held in a custodial account that the holder of the note maintains with a German Disbursing Agent, withholding tax will be levied on the gross interest payments. In the event that the disposition, redemption, repayment or assignment of a note is made or commissioned through a German Disbursing Agent effecting such disposition, redemption, repayment or assignment commission, withholding tax is levied on the capital gains from the transaction. To the extent the notes have not been kept in a custodial account with the German Disbursing Agent since the time of acquisition, upon the disposal, redemption, repayment or assignment, the withholding tax rate is applied to 30 per cent. of the disposal proceeds (substitute assessment base – *Ersatzbemessungsgrundlage*), unless the holder of the notes provides evidence of the actual acquisition cost by submitting a certificate of the previous German Disbursing Agent or a foreign credit or financial services institution within the European Economic Area. In computing the withholding tax base, the German Disbursing Agent will take into account (the following each derived from private capital investments) interest having accrued up to the disposition of a note and credited separately (the "Accrued Interest"; *Stückzinsen*) paid to it and, according to a specific procedure, settle losses from the disposal of capital investments (other than stocks (*Aktien*)) from other transactions entered into through or with the same German Disbursing Agent. If, in this context, losses cannot be offset in full against positive income from capital investments, the German Disbursing Agent will upon request issue a certificate stating the losses in order for them to be offset or carried forward in the assessment procedure. The request must reach the German Disbursing Agent by 15th December of the current year and is irrevocable.

If, in the case of physical delivery, no cash payment is made on redemption, the German Disbursing Agent will request the holder of the note to pay the withholding tax amount to it unless the physical delivery qualifies as tax neutral exchange in which case no withholding tax applies. If the holder of the note does not pay the amount to be withheld to the German Disbursing Agent, the latter must notify the tax authorities of such failure which will then otherwise collect the tax not withheld.

In general, no withholding tax will be levied if the holder of the note is an individual (i) whose notes are held as private assets and are not allocated to income from leasing and letting of certain property, and (ii) who files an exemption certificate (*Freistellungsauftrag*) with the German Disbursing Agent, but only to the extent the interest income derived from the notes together with the other income from capital investment does not exceed the exemption amount shown on the withholding exemption certificate. Similarly, no withholding tax will be deducted if the holder of a note has submitted to the German Disbursing Agent a certificate of non-assessment (*Nichtveranlagungsbescheinigung*) issued by the relevant local tax office.

If notes are held as private assets and the income derived therefrom is not allocable to income from the leasing and letting of certain property, the personal income tax liability is, in principle, settled by the tax withheld. A tax assessment may be applied for in the cases outlined above. In assessment cases and in cases where the note is held as a business asset or is allocable to other types of income, the withholding tax is credited against the income tax or corporate income tax liability of the holder of the note, or is refunded.

Withholding tax, as a rule, does not have to be deducted or withheld if the holder of a note is a German branch of a German or non-German bank or of a German or non-German financial services institution or a German capital investment company (*Kapitalanlagegesellschaft*).

Taxes on the capital gains from the disposal of notes derived by a private law corporation that is subject to unlimited taxation in Germany and which is not exempt from corporate income tax, and that is neither a German branch of a German or non-German bank or of a German or non-German financial services institution nor a German capital investment company, are not collected in the form of withholding tax. In the case of certain specific kinds of corporations, this applies only if they provide evidence of falling under this group of taxpayers by a certificate from their competent tax office.

To the extent that the capital gains represent business income of a domestic business and the sole proprietor declares this to be so to the German Disbursing Agent on the officially required standard form, the German Disbursing Agent must not deduct an amount as withholding tax.

If the holder is member of a congregation that levies church tax, the holder may inform the German Disbursing Agent of such membership. In this case the German Disbursing Agent will, subject to the exemptions described above, withhold church tax from the income from capital investment. If church tax is not levied by way of withholding, the income from capital investment needs to be included in the income tax filing of the holder and church tax will be levied by way of assessment.

In this respect, it should be noted that income from capital investments that is paid after 31 December 2013 to a holder who is a member of a congregation that levies church tax, will be subject to withholding in respect of church tax, subject to the exemptions described above if the note is held in custody with a German Disbursing Agent. The German Disbursing Agent will be informed by the Federal Tax Agency (*Bundeszentralamt für Steuern*) about the membership of the holder in a congregation that levies church tax. Such holder may, however, elect to file a blocking notice (*Sperrvermerk*) with the Federal Tax Agency. In this case, the German Disbursing Agent holding the note in custody for the holder is not informed about the holder's membership in a congregation. However, the income from capital investment needs to be included in the income tax filing of the holder and church tax will be levied by way of assessment.

#### *Non-residents*

Non-residents are, in general, exempt from German withholding tax on interest and principal and the solidarity surcharge thereon. However, where the interest is subject to German taxation (which may be the case if (i) the notes form part of the business assets of a permanent establishment (including a permanent representative,) or a fixed base maintained in Germany by the holder of a note; or (ii) the income otherwise constitutes German-source income creating German limited tax liability (such as income from the letting and leasing of certain property located in Germany) and notes are held in a custodial account with a German Disbursing Agent, withholding tax is levied as explained above under "Tax Residents". The withholding tax may be refunded based on an assessment to tax or under an applicable tax treaty.

## **GREECE**

*The following is an overview of certain material Greek tax consequences arising from the holding of the notes. The statements herein regarding taxation in Greece are based on the laws in force in Greece as at the date of this Base Prospectus and are subject to any changes in law. Since limited precedent, or evidence of practical application of the Greek taxation framework on withholding taxes, as amended, exists, the discussion below on Greek withholding tax is qualified in its entirety. Potential investors should not rely on that overview and seek tax advice from their advisers on their own individual taxation.*

## ***Withholding Tax on Interest Payments***

### *Resident holders of the notes*

a) a withholding tax of 15 per cent will be imposed on interest received by holders of the notes who are tax residents in Greece or who maintain, for tax purposes a permanent establishment in Greece. Such withholding will be imposed by credit institutions registered or established in Greece, qualifying as paying agents in the sense of par. 2(a) of Article 4 of Law 3312/2005 (Gov. Gazette No A 25/2005) implementing into Greek Law Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the Savings Directive), upon collection of interest on behalf of the Greek tax residents. Such withholding exhausts the tax liability of noteholders who are Greek individual tax residents and non for profit legal entities (Greek or foreign). Interest payments received by enterprises (including corporations and limited liability companies) should be included in their overall taxable business income and be taxed according to ordinary rules.

Despite the above, no Greek withholding tax will be imposed on Greek tax resident individual noteholders, who provide evidence that they have not received or secured such interest for their own benefit, in the sense of Article 4 par. 1 (a) to (c) Law 3312/2005.

b) Individual Greek residents are obliged to pay by themselves to Greek tax authorities the tax due (15%) on interest received from bonds issued abroad and which remains abroad. For this purpose, Greek tax resident individuals should file a respective tax return before the competent tax office by the 31st January of the year following the payment or credit and submit the relevant official document issued by the foreign bank or credit organization evidencing the amount of interest paid or credited in the bank account held abroad during the previous fiscal year, any tax withheld and the date of payment or credit.

### *Non- resident Holders of the notes*

No withholding under Greek tax laws will be imposed on holders who are not Greek tax residents and do not maintain for tax purposes a permanent establishment in Greece provided (and to the extent that) such payment of interest under the notes is effected outside Greece.

## ***Capital Gains Arising From the Transfer of the Notes***

Capital gains arising from the transfer of corporate bonds are considered as securities income under article 24 of Greek Income Tax Code. Individual Greek residents and legal entities will be subject to a withholding tax of 20% by the Greek intervening (payee) bank (against the corresponding tax), which will be credited against the final income tax liability of the transferor.

Noteholders who are not tax resident in Greece (individual or legal entity) or do not maintain, for tax purposes a permanent establishment in Greece, are not subject to any Greek tax on capital gains from the transfer of the notes.

## ***Capital Gains from the Transfer of the Notes if Characterized as 'Derivatives***

In the remote case that any issue of the notes (such as the range accrual notes) are characterized by Greek tax authorities as Derivatives, capital gains realized from the disposal thereof will be

- tax-free for Greek tax-resident individuals or businesses (including Greek branches of foreign businesses) that do not maintain double entry accounting records, in accordance with the provisions of Article 38 (6) of the Greek Code of Income Tax, whereas,
- in case of Greek businesses (or Greek branches of foreign businesses) maintaining double entry accounting books, such capital gains shall be exempted from tax provided that these are recorded in a special tax reserve in accordance with the provisions of Article 38(7) of the Greek Code of Income Taxation.

Again, noteholders, who are not tax resident in Greece (individual or legal entity) or don't maintain, for tax purposes a permanent establishment in Greece, are not subject to any Greek tax on capital gains from the transfer of the notes.

### ***Other Taxes***

There is no stamp duty or VAT applicable with respect to the interest payments of the notes.

## **HUNGARY**

*The following is a brief overview of Hungarian tax aspects in connection with the notes. The below overview does not fully describe all tax consequences of the acquisition, ownership, disposition or redemption of the notes. This overview only discusses the tax laws of Hungary as in force on May 22, 2013 and based on the individual circumstances a different tax regime may apply. As under the Program different types of notes may be issued, the tax treatment of such notes can be different due to their specific terms. This overview does not take into account the investors' individual circumstances.*

*Prospective investors are advised to consult their own professional advisors to obtain further information about the tax consequences of the acquisition, ownership, disposition, redemption, exercise or settlement of any of the notes.*

*It cannot be excluded that Hungarian tax authorities or courts or the Hungarian Payers (as defined below) adopt a view different from that outlined below.*

### ***Income Taxation of Private individuals***

#### ***Withholding (Income) Tax***

A private individual is subject to withholding taxation of certain capital incomes, if such capital income is paid to the private individual taxpayer by a legal person, other organization, or private entrepreneur resident in Hungary that (who) provides taxable income, irrespective of whether such payment is made directly or through an intermediary (post office, credit institution) (a "Hungarian Payer"). The general rate of the withholding tax is 16% (sixteen per cent).

- In respect of interest, Hungarian Payer shall mean the person who pays any interest income to any private individual according to the Personal Income Tax Act, the borrower of a loan or the issuer of a bond,
- in respect of dividends, Hungarian Payer shall mean the taxpayer from whose assets such dividends are paid.
- In respect of revenues originating from a transaction concluded with the involvement of a licensed stockbroker, Hungarian Payer shall mean such stockbroker (consignee).
- In respect of income that is earned in a foreign country and taxable in Hungary, Hungarian Payer shall mean the person (legal person, other organization, or private entrepreneur) commissioned in Hungary, exclusive of transaction orders given to a credit institution solely for the performance of a transfer (payment).
- In respect of any taxable payment made by a non-resident company through its branch or commercial representation, such branch or commercial representation shall be considered a Hungarian Payer.

As long as the Issuer is not a Hungarian Payer, the Issuer is not liable for the withholding of taxes.



The withholding tax also applies if the private individual is not a Hungarian tax resident, i.e. is generally not subject to Hungarian income tax.

The withholding tax applies to the following kinds of income, each defined or detailed further in Act CXVII of 1995 on Personal Income Tax:

- interest income,
- income from securities lending,
- dividend income,
- capital gains income.

However, whether a withholding tax is actually applicable to a certain income, the exact details of the security, the income payment and the tax subject (holder of the security) shall be examined.

### **Interest Income**

'Interest income' shall mean the following (narrowed for the purposes of this Prospectus):

a) in case of the balance of any deposit account (savings deposit account), or payment account, the part of the interest credited and/or capitalized based on a contract (including standard service agreements and interest conditions) made between the private individual and a payment service provider that is not in excess of the fair market value;

b) in connection with debt securities and collective investments in transferable securities, which are offered and traded publicly:

ba) the income paid to the private individual under the title of interest and/or yield, due to the fact that the securities are held at a specific time prescribed as a precondition for entitlement to interest and/or yield,

bb) the gains achieved when called, redeemed, or transferred [not including the transfer of collective investments in transferable securities in an exchange market, or in a market of another EEA Member State or in a Member State of the Organization for Economic Cooperation and Development (OECD) from the income payable to the private individual - irrespective of the net current value, accumulated interest or yield it represents - to the extent established according to the provisions on capital gains;

c) by way of derogation from paragraphs a)-b) directly above, if the interest income established according to paragraphs a)-b) represents any asset (e.g. securities) from which the tax cannot be deducted, the taxable amount shall be calculated by multiplying the fair market value of the asset by 1.19.

The legal title of tax liability in connection with any interest income not mentioned in paragraphs a)-c) above and Section 65 (1) of the Personal Income Tax Act or that is obtained by way of derogation from the conditions defined therein shall be determined in consideration of the contract between the parties affected (meaning the private individual and the person paying the interest income, or between these persons and a third party), and the relating tax liabilities of the payer or the private individual shall be satisfied accordingly (including, in particular, the assessment, payment and declaration of income, tax amount, tax advance, and the related disclosures).

If the private individual does not acquire the income through a Hungarian Payer, the private individual shall establish the private income tax after the interest income in its own tax return and pay it. The rate of the tax is 16% (sixteen per cent).

The revenues in connection with which the Act on the Rules of Taxation prescribes compulsory data disclosure (pursuant to the EU Savings Directive 2003/38/EC, see below) relating to income received in the form of interest payments shall not be taken into account as income in Hungary. In case of long-term investments ("*tartós befektetés*"), interest income shall be free of tax if the private individual does not interrupt the deposit period of five years.

In connection with OTC transactions involving the calling, redemption or transfer of debt securities and collective investments in transferable securities, which are offered and traded publicly - recognized as the equivalent of a transaction on a controlled capital market -, the private individual shall have the option to declare the profit or loss realized on transactions in his tax return according to the provisions on controlled capital market transactions (including the provisions on tax compensation), provided that all other conditions prescribed by the said regulations are satisfied, where, in connection with any transaction concluded with an investment service provider recognized as a Hungarian Payer:

a) the private individual may apply this provision if he makes a statement, with his tax identification code enclosed, before the last day of the tax year of making that choice;

b) the investment service provider shall provide a certificate to the private individual based on the statement referred to in Paragraph a) on the transaction(s), and shall supply data to the state tax authority according to the provisions on controlled capital market transactions;

c) the private individual shall apply the tax the investment service provider has deducted according to the provisions on interest income as a tax advance.

### **Securities Lending Fee**

The entire fee of securities lending acquired by the private individual shall qualify as tax-able income. The Hungarian Payer shall establish, deduct and pay the tax, the amount of which is 16%.

### **Profit Realized on Swaps**

Profit realized on swaps shall mean the part of the proceeds received by a private individual in a tax year in connection with interest-rate, currency and equity swaps (swap receipts) that is in excess of the expenses (swap expenses) the private individual has incurred and verified as directly related to the transaction in question. Any sum of swap expenses that is in excess of swap receipts shall be treated as a loss realized on swaps.

Profits and/or losses realized on swaps:

a) shall be determined by the Hungarian Payer at the end of the tax year separately for each transaction, and they shall supply a certificate to the private individual affected by 31 January of the year following the tax year broken down according to transactions, and shall disclose such information to the National Tax and Customs Authority in accordance with the Act on the Rules of Taxation;

b) shall be recorded by the private individual in the absence of a Hungarian Payer.

By way of derogation from the above, the legal title of the income and the amount of tax liability shall be determined in consideration of the contract between the parties affected (meaning the private individual to whom the income was paid and the other party to the transaction, or between these persons and a third party) and the circumstances under which the income was obtained if it is established that the private individual arranged the transaction in a way to make a profit without any real risk, by setting conditions in derogation from the market price, exchange rates, interest rates, fees and other factors.

In connection with the profit realized on swaps, the Hungarian Payer is not subject to the obligation of tax deduction. The private individual affected shall assess the profit realized on swaps and the tax payable on such income following the end of the tax year separately for each transaction, and shall

declare them in his tax return filed for the tax year, and shall pay the tax by the deadline prescribed for filing tax returns.

If a swap is carried over to the next tax year, and if the private individual realizes any loss on this swap that covers such carried over period (as well), and indicates this loss separately for each transaction in his tax return filed for the tax year when the loss was realized, the private individual shall be entitled to tax compensation that may be claimed as tax paid in the tax return.

Tax compensation shall be established separately for each transaction on an annual basis, cumulatively (carried over) under the duration of the transaction, supported by regularly updated bookkeeping records (see Section 65/B of the Private Income Tax Act).

### **Dividend Income**

All revenues of private individuals received as dividends or dividend advance shall be considered income. For the purposes of this Prospectus:

a) dividend shall mean (among others):

- interest on interest-bearing shares,
- income specified as dividends by the laws of other countries,
- the yield of venture capital notes;

b) dividend advance shall mean any prepayments of dividends made on the dividend estimated for the tax year.

The tax on dividends (dividend advances) shall be assessed by the Hungarian Payer:

a) including resident credit institutions and investment service providers, in connection with any payment (credit) of dividend (dividend advance) earned abroad to a private individual through the securities account (securities escrow account) it maintains on behalf of that private individual;

b) in due consideration of the rules on inability to deduct withholding tax and of the special rules of taxation applicable to the income of foreign nationals laid down in Act on the Rules of Taxation;

at the time of payment, and shall be declared and paid.

If there is no Hungarian Payer involved, the tax shall be assessed by the private individual in his tax return prepared without assistance from the tax authority and pay it before the deadline prescribed for filing. The amount of dividend advance and the tax shall be indicated for information purposes in the tax return filed for the year when the payment was made, and the amount of dividend paid as approved, and the tax deducted shall be declared in the tax return filed for the year when the resolution establishing the dividend was approved, and shall show the tax deducted and paid from the dividend advance as tax deducted.

### **Capital Gains Income**

'Income from capital gains realized' shall mean the proceeds received upon the transfer of securities (not including lending arrangements), less the purchase price of the securities and any incidental costs associated with the acquisition of the securities. Any portion of the said profit that is to be treated as part of some other type of income shall not be considered as a capital gain.

The Hungarian Payer shall assess the amount of income realized from the revenues, the tax and tax advance corresponding to the legal title of the income relying on the data and information at its disposal

on the day of payment or that can be obtained, or as verified by the private individual relating to acquisition costs and the incremental costs, and shall declare and pay it in accordance with the Act on the Rules of Taxation. If the income does not originate from a Hungarian Payer, the private individual shall establish the tax in his tax return prepared without assistance from the tax authority and pay it before the deadline prescribed for filing.

Private individuals shall include in their tax returns, in the total of their income from capital gains realized during the tax year, or by way of self-assessment of their tax returns, that part of the purchase price of securities and the incremental costs associated with the securities that the payer did not take into account when determining income.

### **Controlled Capital Market Transactions**

In case of income from controlled capital market transactions, no withholding tax applies, however, if the Hungarian Payer of such income is an investment service provider, it shall report certain income information to the Hungarian tax authority.

Income from controlled capital market transactions shall mean the profit realized on controlled capital market transaction(s) the private individual has made during the tax year - including the capital market transactions covered by the same legal provisions at the private individual's choice - (not including interest income, or if income from long-term investments has to be established based on the transaction), and received in money from all such transactions (total profit realized on transactions) that is in excess of the total losses the investment service provider has charged to the private individual in connection with a given transaction or transactions, and paid during the tax year (total loss realized on transactions). Losses on controlled capital market transactions shall include the sum of total loss realized on transactions that is in excess of the total profit realized on transactions.

Controlled capital market transaction shall mean any transaction concluded with an investment service provider, or with the help of an investment service provider - other than swaps - involving financial instruments (other than privately placed securities) or commodities, as well as spot transactions concluded within the framework of financial services, or within the framework of investment services and ancillary investment services involving foreign exchange or currency, where such deals are concluded by financial settlement and, in either case, if they satisfy the provisions of the said acts pertaining to transactions, except for the transactions where a price - other than the fair market value - is used as specified by the investment service provider's customer and/or the parties he represents (a private individual, and/or any person closely linked to one another by their common interests, directly or otherwise), and

a) if executed within the framework of activities supervised by the Hungarian Financial Supervisory Authority (PSZÁF),

b) that is concluded with an investment service provider, or with the help of an investment service provider, operating in the money markets of any EEA Member State, or any other State with which Hungary has an agreement on double taxation, and

ba) if executed within the framework of activities supervised by the competent authorities of that State, and

bb) if the given State is not an EEA Member State, there are facilities in place to ensure the exchange of information between the competent authorities mentioned above and PSZÁF, and

bc) for which the private individual has a certificate made out by the investment service provider to his name, containing all data and information for each and every transaction concluded during the tax year for the assessment of his tax liability.

The private individual affected shall assess - in accordance with the provisions on capital gains as well - the profit realized on such controlled capital market transaction(s) and the tax payable on such

income relying on the documents (certificates of execution) made out by the investment service provider or on his own records, and shall declare them in his tax return filed for the tax year, and shall pay the tax by the deadline prescribed for filing tax returns.

If the private individual realized any loss in connection with a controlled capital market transaction during the tax year and/or during the year preceding the current tax year, and/or in the two years preceding the current tax year, and if this loss is indicated in his tax return filed for the year when the loss was realized, the private individual shall be entitled to tax compensation that may be claimed as tax paid in the tax return.

### **Exceptions**

A withholding tax obligation may also be created or cease due to a convention on (the avoidance of) double taxation, between Hungary and another State. The tax obligation may cease if the notes are held as long-term investment and the further requirements are met.

#### *Valuable Consideration Obtained in The Form of Securities*

In connection with any valuable consideration obtained by a private individual in the form of securities, income shall mean the fair market value of the security prevailing at the time of acquisition of the security, less the verified cost (value) of the security and any incremental costs associated with it. The type of tax liability attached to this income shall be determined on the basis of the relationship between the parties concerned (the private individual and the person from whom the security originates, and the said persons and a third party) and the circumstances under which the income was obtained, and the ensuing tax liabilities prescribed upon the payer or the private individual in question (including, in particular, the assessment, payment and declaration of income, tax amount, tax advance, and the related disclosures) shall be satisfied accordingly.

Among other cases, the valuable consideration obtained by a private individual in the form of securities shall not be treated as income if the private individual

- obtained the security in question through exercising a right that was obtained in a transaction offering equal conditions to all parties concerned;

- has obtained the shares from another private individual by means of a contract for pecuniary interest, provided that the amount (value) of consideration reaches the nominal value of shares, or, where there is no nominal value, their accountable par from the issuers subscribed capital; without prejudice to the applicability of other provisions on tax exemptions.

The tax rate is 16% (sixteen per cent).

#### *Valuable Consideration Obtained by Way of Rights in Securities*

If income is not realized from profits made by means of controlled capital market transactions, the following rules shall apply:

As regards the valuable consideration obtained through the transfer (assignment), termination, endorsement of the purchase, subscription, sale or other similar right in securities (exclusive of rights attached to other securities) or through the waiver of such right, from the proceeds received by the private individual the margin above the costs charged, as verified, to the private individual in connection with the acquisition of the right and the incremental costs associated with the transaction (in connection with a gratuitous or complimentary right, including any income that is deemed taxable at the time the right is acquired). The amount of income shall be assessed as on the day when received.

In connection with securities obtained by way of a purchase, subscription or other similar right in securities, the private individual obtaining them shall be subject to the provisions pertaining to valuable

considerations obtained in the form of securities. In this case the date of the acquisition of income shall be determined as the date of the acquisition of the right of control over the security or the date when the private individual (or any other person acting on his behalf) takes possession of the security in question (including, in particular, when the security is credited to the securities account), whichever occurs earlier.

As regards the valuable consideration obtained through the exercise of a sale option or other similar right in securities, that part of the income defined on the basis of the obtained valuable consideration that is greater than the fair market value of the security that is effective on the day of transfer (income component for the exercise of the right in question), less the costs charged, as verified, to the private individual (in connection with a gratuitous or complimentary right, including any income that is deemed taxable at the time the right is acquired) shall be treated as income, with the exception that:

a) the amount of income from the remaining part of the proceeds received in connection with the transfer of the security shall be determined in compliance with the provisions on capital gains, with due consideration of what is contained in paragraph b);

b) where paragraph a) applies, the part of the costs charged to the private individual in connection with the acquisition of the right may be deducted from the proceeds mentioned therein under the title of transfer costs, that is in excess of the proceeds from the exercise of the option. The amount of income shall be assessed as on the day of transfer of the security in question.

The tax rate is 16% (sixteen per cent).

### ***Corporate Income Tax***

Generally, with the exception of special cases, legal entities are not subject to any corporate income tax withholding in connection with capital gains (interest, dividend and return on security sales revenues) on the basis of Act LXXXI of 1996 on Corporate Income Tax.

The tax rate is 10% for the part of the positive tax base that does not exceed HUF 500 million. For the part above that, the tax rate is 19%.

### ***EU Savings Directive***

As the transposition of Directive 2003/38/EC, Section 52 (2) and Schedule No. 7 of Act XCII of 2003 on the Rules of Taxation regulates the exchange of information between authorities of the EU member states regarding interest payments and equivalent payments on the basis of the following principles:

- A payer shall supply to the state tax authority the information on the beneficial owner and the amount of interest paid.
- For the purposes of the information exchange obligation, payer means any economic operator or other organization who pays interest to or secures the payment of interest for the immediate benefit of a beneficial owner established in another Member State of the European Union.
- An economic operator paying interest to members of an organization who qualify as beneficial owners, via the same organization resident in another EU Member State shall also provide information to the state tax authority, except for certain cases.
- For the purposes of the information exchange, Schedule No. 7. defines the notion of interest payment and beneficial owner.
- The payer shall take all reasonable steps to establish the identity of the beneficial owner in accordance.

- The Hungarian tax authority transfers the provided data to the tax authority of the member state of the beneficial owner's tax residence."

### ***Inheritance duty***

If a private investor is deceased, the inheritance may be subject to inheritance duty ("öröklési illeték"). Inheritance duty is applicable to the assets within Hungary; as well as the moveable assets inherited by a Hungarian citizen/resident/legal person if such assets are not subject to inheritance in the country of their location.

The bases for such inheritance duty is the clear value of the acquired assets (i.e. after the deduction of liabilities). The duty rate is 18%.

Inheritance of the deceased investor's lineal relatives (parents, grandparents, children, grandchildren etc., including where relationship is based on adoption) and surviving spouse is free of inheritance duty.

### ***Gift duty***

The free transfer of the notes is subject to gift duty payable by the receiving party. The base for the duty is the value of the gift. The duty rate is 18%.

The following are not subject to gift duty:

- gift in the value not exceeding HUF 150,000 in market value if no document was made;
- gift acquired by the donor's lineal relatives (parents, grandparents, children, grandchildren etc., including where relationship is based on adoption).

## **IRELAND**

*The following comments are of a general nature, relating only to the position of persons who are the absolute beneficial owners of the notes. The following is a general overview only of the Irish withholding tax treatment on the date of this European base prospectus in relation to income payments in respect of the notes. This overview is based on Irish law and what is understood to be the practice of the Irish Revenue Commissioners, in each case as in effect on the date of this European base prospectus, which are subject to prospective or retroactive change. The comments are not exhaustive and do not deal with any other Irish tax aspects of acquiring, holding, disposing of, abandoning, exercising or dealing in the notes. Prospective investors in the notes should consult their own advisors as to the Irish tax consequences of acquiring, holding, disposing of, abandoning, exercising or dealing in the notes.*

### ***Irish Withholding Tax***

Irish interest withholding tax should not apply to interest payments which have their source outside Ireland. On the basis that the Issuer is not resident in Ireland and has no presence in Ireland, that no interest payments will be made from Ireland, that no Irish situate assets will be secured and that the notes will not be deposited with an Irish depository, interest payments on the notes should not have an Irish source and, thus, no Irish interest withholding tax should arise. No Irish withholding tax should arise on any discount payable in respect of the notes.

### ***Irish Encashment Tax***

Irish encashment tax may be required to be withheld at the standard rate (currently 20%) from any interest payments paid in respect of the notes where such payments are paid or collected by a person in Ireland on behalf of any holder of the notes. Holders of the notes should therefore note that the appointment of an Irish collection agent or an Irish paying agent could result in the deduction of 20%

encashment tax by such agent from interest payments on the notes. A holder of the notes that is not resident in Ireland for tax purposes may claim an exemption from this form of withholding tax by submitting an appropriate declaration of non-Irish tax residency to the Irish agent.

## ITALY

*The following is a general description of certain Italian withholding tax consideration relating to the notes. It specifically contains information on taxes on income from the notes withheld at source. It does not in any way constitute, nor should it be relied upon as being, a tax advice or a tax opinion covering any or all of the relevant tax considerations surrounding or connected to the notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to a decision to purchase, own or dispose of the notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of the notes, some of which may be subject to special rules. Prospective purchasers should be aware that tax treatment depends on the individual circumstances of each client: as a consequence they should consult their tax advisers as to the consequences under Italian tax law and under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of notes and receiving payments of interest, principal and/or other amounts under the notes, including in particular the effect of any state, regional or local tax laws. This overview is based upon Italian tax laws as in effect on the date of this European base prospectus.*

### **Italian Tax Treatment of the Notes**

*Notes having 100% capital protection guaranteed by the Issuer*

#### **Italian Resident Investors**

Legislative Decree No. 239 of 1 April 1996, as a subsequently amended, (the "Decree No. 239") provides for the applicable regime with respect to the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) from notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued, inter alia, by non-Italian resident issuers.

For these purposes, debentures similar to bonds are defined as bonds that incorporate an unconditional obligation to pay in cash, at maturity, an amount not less than their nominal value (whether or not providing for interim payments) and that do not give any right to directly or indirectly participate in the management of the relevant issuer or of the business in relation to which they are issued nor any type of control on the management.

Where an Italian resident investor is:

- (a) an individual not engaged in a trade (*esercizio di attività commerciali*) to which the notes are connected (unless he has opted for the application of the *risparmio gestito* regime – as described below);
- (b) a non-commercial partnership pursuant to Article 5 of the Presidential Decree No. 917 of 22 December 1986, ("TUIR") (with the exception of general partnerships, limited partnerships and similar entities);
- (c) a public or private entity (other than a company) or a trust not carrying out a commercial activity; or
- (d) an investor exempt from Italian corporate income taxation;



interest, premium and other income (including the difference between the redemption amount and the issue price), relating to the notes, accrued during the relevant holding period, are subject to a withholding tax, referred to as *imposta sostitutiva*, levied at the rate of 20%. In the event that the investors described above are engaged in a trade (*esercizio di attività commerciali*) to which the notes are connected, the *imposta sostitutiva* applies as a provisional tax and may be deducted from the final income tax due by the relevant investor.

Where an Italian resident investor is not included in the above (a) to (d) and is a company or similar commercial entity pursuant to Article 73 of TUIR or a permanent establishment - to which the notes are effectively connected - of a non - Italian resident entity and the notes are deposited with an authorised intermediary, interest, premium and other income from the notes will not be subject to *imposta sostitutiva*, but must be included in the relevant investor's income tax return and are therefore subject to general Italian corporate taxation ("IRES" levied at the rate of 27.5%) and, in certain circumstances, depending on the "status" of the investor, also to regional tax on productive activities ("IRAP", generally levied at the rate of 3.9%, even though regional surcharges may apply).

Under the current regime provided by Law Decree No. 351 of 25 September 2001, converted into law with amendments by Law No. 410 of 23 November 2001, payments of interest in respect of the notes made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and Article 14-bis of Law No. 86 of 25 January 1994 are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of a real estate investment fund. A withholding tax may apply in certain circumstances at the rate of 20% on distributions made by real estate investment funds.

If an investor is resident in Italy and is an open-ended or closed-ended investment fund (the "Fund") or a SICAV, and the notes are deposited with an authorised intermediary, interest, premium and other income accrued during such investor's holding period will not be subject to *imposta sostitutiva*. A withholding tax may apply in certain circumstances at the rate of 20% on distributions made by the Fund or the SICAV to certain categories of investors.

Where an Italian resident investor is a pension fund (subject to the regime provided for by article 17 of the Legislative Decree No. 252 of 5 December 2005, as subsequently amended) and the notes are deposited with an authorised intermediary, interest (including the difference between the redemption amount and the issue price), premium and other income relating to the notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the 11% special tax applicable to Italian pension funds.

Pursuant to Decree No. 239, *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* ("SIMs"), fiduciary companies, *società di gestione del risparmio*, stockbrokers and other entities identified by a decree of the Ministry of Economics and Finance (each an "Intermediary").

For the Intermediary to be entitled to apply the *imposta sostitutiva*, it must

- (a) be resident in Italy; or
- (b) be resident outside Italy, with a permanent establishment in Italy; or
- (c) be an entity or a company not resident in Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of the Italian Ministry of Finance having appointed an Italian representative for the purposes of Decree No. 239; and
- (d) intervene, in any way, in the collection of interest or in the transfer of the notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant notes or a transfer of the notes to another deposit or account held with the same or another Intermediary.

Where the notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying interest to an investor. If interest and other proceeds on the notes are not collected through an Intermediary or any entity paying interest and as such no *imposta sostitutiva* is levied, the Italian resident beneficial owners listed above under (a) to (d) will be required to include interest and other proceeds in their yearly income tax return and subject them to a final substitute tax at a rate of 20%. The Italian individual investor may elect instead to pay ordinary personal income tax ("IRPEF") at the applicable progressive rates in respect of the payments; if so, the investor should generally benefit from a tax credit for withholding taxes applied outside of Italy, if any.

### **Non-Italian Resident Investors**

No Italian *imposta sostitutiva* is applied on payments to a non-Italian resident investor of interest relating to the notes provided that, if the notes are held in Italy, the non-Italian resident investor declares itself to be a non-Italian resident according to Italian tax regulations.

#### *Notes not having 100% capital protection guaranteed by the Issuer*

In case notes representing debt instruments implying a "use of capital" do not guarantee the total reimbursement of the principal in cash, under Italian tax law they should qualify as "atypical securities" (*titoli atipici*) and payments in respect of such notes received by Italian investors would be subject to the following regime:

(a) if the notes are placed (*collocati*) in Italy, payments made to individual investors holding the notes not in connection with a trade (*esercizio di attività commerciali*) will be subject to a 20% final "entrance" withholding tax (i.e., at source). This withholding tax is required to be levied by the entrusted Italian resident bank or financial intermediary, if any, that is involved in the collection of payments on the notes, in the repurchase or in the transfer of the notes;

(b) if the notes are not placed (*collocati*) in Italy or in any case where payments on the notes are not received through an entrusted Italian resident bank or financial intermediary (that is involved in the collection of payments on the notes, in the repurchase or in the transfer thereof) and no entrance withholding tax is required to be levied, the individual beneficial owners will be required to declare the payments in their income tax return and subject them to a final substitute tax at a rate of 20%. The Italian individual investor may elect instead to pay ordinary IRPEF at the progressive rates applicable to them in respect of the payments; if so, the investor should generally benefit from a tax credit for withholding taxes applied outside Italy, if any.

### **Capital Gains Tax**

Any gain obtained from the sale or redemption of the notes would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the investor, also as part of the net value of production for IRAP purposes) if realized by: (i) an Italian resident company; (ii) an Italian resident commercial partnership; (iii) the Italian permanent establishment of foreign entities to which the notes are effectively connected; or (iv) Italian resident individuals engaged in a trade (*esercizio di attività commerciali*) to which the notes are connected.

Where an Italian resident investor is an individual not holding the notes in connection with an entrepreneurial activity, any capital gain realized by such investor from the sale or redemption of the notes would be subject to an *imposta sostitutiva*, levied at the current rate of 20%. Under some conditions and limitations, investors may set off losses with gains. This rule applies also to certain other entities holding the notes. In respect of the application of the *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

Under the tax declaration regime (*regime della dichiarazione*), which is the ordinary regime for taxation of capital gains realized by Italian resident individuals not engaged in a trade (*esercizio di attività commerciali*) to which the notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any incurred capital loss, realized by

the Italian resident individual. The investor holding notes not in connection with a trade (*esercizio di attività commerciali*) must indicate the overall capital gains realized in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance of income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realized in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident individual investor holding the notes not in connection with a trade (*esercizio di attività commerciali*) may elect to pay the *imposta sostitutiva* separately on capital gains realized on each sale or redemption of the notes (the *risparmio amministrato* regime provided for by Article 6 of the Legislative Decree 21 November 1997, No. 461 as a subsequently amended, the "Decree No. 461"). Such separate taxation of capital gains is allowed subject to (1) the notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and (2) an express valid election for the *risparmio amministrato* regime being punctually made in writing by the relevant investor. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realized on each sale or redemption of the notes (as well as in respect of capital gains realized upon the revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian Tax Authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the investor or using funds provided by the investor for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the notes results in a capital loss, such loss may be deducted from capital gains subsequently realized, within the same notes management, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the investor is not required to declare the capital gains in its annual tax return.

Any capital gains realized or accrued by Italian resident individual investors holding the notes not in connection with a trade (*esercizio di attività commerciali*) who have entrusted the management of their financial assets, including the notes, to an authorised intermediary and have validly opted for the so-called *risparmio gestito* regime (the regime provided by Article 7 of Decree No. 461) will be included in the computation of the annual increase in value of the managed assets accrued, even if not realized, at year end, subject to a 20% substitute tax, to be paid by the managing authorised intermediary. Under the *risparmio gestito* regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *risparmio gestito* regime, the investor is not required to declare the capital gains realized in its annual tax return.

Any capital gains realized by an investor which is an Italian resident real estate investment fund established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998, as amended and supplemented, and Article 14-bis of Law No. 86 of 25 January 1994 are subject neither to substitute tax nor to any other income tax in the hands of a real estate investment fund.

Any capital gains realized by an investor which is a Fund or a SICAV will neither be subject to *imposta sostitutiva* nor to any form of taxation in the hands of the Fund or of the SICAV, but any income paid by a Fund or by a SICAV in favor of its participants will be subject to taxation in accordance with the specific rules provided for the different kind of participants.

Any capital gains realized by an investor which is an Italian pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005, as subsequently amended) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to the special 11% tax applicable to Italian pension funds.

Capital gains realized by non-Italian resident investors from the sale or redemption of the notes are not subject to Italian taxation, provided that the notes (1) are transferred on regulated markets, or (2) if not transferred on regulated markets, are held outside Italy.

### ***Inheritance and Gift Tax***

Transfers of any valuable assets (including the notes) as a result of death or inter vivos gift (or other transfers for no consideration) and the creation of liens on such assets for a specific purpose are taxed as follows:

4% if the transfer is made to spouses and direct descendants or ancestors; in this case, the transfer is subject to tax on that part of value that exceeds Euro 1,000,000 (per beneficiary);

6% if the transfer is made to brothers and sisters; in this case, the transfer is subject to the tax on that part of value that exceeds Euro 100,000 (per beneficiary);

6% if the transfer is made to relatives up to the fourth degree (*parenti fino al quarto grado*), to persons related by direct affinity as well as to persons related by collateral affinity up to the third degree (*affini in linea retta nonché affini in linea collaterale fino al terzo grado*); and

8% in all other cases.

If the transfer is made in favor of persons with severe disabilities, the tax applies on that part of value that exceeds Euro 1,500,000.

Moreover, an anti-avoidance rule is provided in case of gift of assets, such as the notes, whose sale for consideration would give rise to capital gains to be subject to the *imposta sostitutiva* provided for by Decree No. 461, as subsequently amended. In particular, if the donee sells the notes for consideration within five years from their receipt as a gift, the latter is required to pay the relevant *imposta sostitutiva* as if the gift had never taken place.

### ***Transfer Tax***

Transfer tax previously generally payable on the transfer of the notes has been abolished. A Euro 168.00 registration tax may be applicable to the transfer of the notes under certain circumstances.

### ***Tax Monitoring Obligations***

Italian resident individuals will be required to report in their yearly income tax return, according to Law Decree No. 167 of 28 June 1990, converted into law by Law No. 227 of 4 August 1990, for tax monitoring purposes, the amount of any transfers from abroad, towards abroad and occurring abroad, related to the notes, occurring during each tax year, if these transfers exceed in the aggregate Euro 10,000. This also applies in the case that at the end of the tax year, the notes are no longer held by Italian individuals.

Italian individuals will however not be required to comply with the above reporting requirements with respect to notes deposited for management with qualified Italian financial intermediaries and with respect to contracts entered into through their intervention, upon condition that the items of income derived from the notes are received through the intervention of the same intermediaries.

### ***Italian Implementation of the EU Savings Directive***

The EU Savings Directive has been implemented in Italy by Legislative decree No. 84 of 18 April 2005, as of 1 July 2005.

## Luxembourg

*The following is a general description of certain Luxembourg withholding tax considerations relating to the notes. It specifically contains information on taxes on the income from the notes withheld at source and provides an indication as to whether the issuer assumes responsibility for the withholding of taxes at the source. It does not purport to be a complete analysis of all tax considerations relating to the notes, whether in Luxembourg or elsewhere. Prospective purchasers of the notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the notes payments of interest, principal and/or other amounts under the notes and the consequences of such actions under the tax laws of Luxembourg. This overview is based upon the law as in effect on the date of this European base prospectus. The information contained within this section is limited to withholding taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the notes.*

### **Withholding Tax**

#### **Non-Luxembourg tax resident holders**

Under Luxembourg general tax laws currently in force and subject to the laws of June 21, 2005 (hereinafter "Laws") mentioned below, there is no withholding tax to be withheld by the debtor of the notes on payments of principal, premium or arm's length interest (including accrued but unpaid interest) to non-Luxembourg tax resident holders. Nor is any Luxembourg withholding tax payable upon redemption or repurchase of the notes held by non-Luxembourg tax resident holders to the extent said notes do not (i) give entitlement to a share of the profits generated by the Issuer and (ii) the Issuer is not thinly capitalized.

#### **Luxembourg Implementation of the EU Savings Directive on the Taxation of Savings Income**

Under the Laws, implementing the Council Directive 2003/48/EC of June 3, 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (hereinafter "Territories"), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax at a rate of 35% unless the relevant recipient has duly instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

#### **Luxembourg tax resident holders**

Under Luxembourg general tax laws currently in force and subject to the law of December 23, 2005, as amended (hereinafter "Law"), there is no withholding tax to be withheld by the debtor of the notes on payments of principal, premium or arm's length interest (including accrued but unpaid interest) to Luxembourg tax resident holders. Nor is any Luxembourg withholding tax payable upon redemption or repurchase of notes held by Luxembourg tax resident holders to the extent said notes do not (i) give entitlement to a share of the profits generated by the Issuer and (ii) the Issuer is not thinly capitalized.

Under the Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner who is tax resident of Luxembourg will be subject to a withholding tax of 10%. In case the individual beneficial owner is an individual acting in the course of the management of his/her private wealth, said withholding tax will be in full discharge of income tax. Responsibility for the withholding tax will be assumed by the

Luxembourg paying agent. Payments of interest under the notes coming within the scope of the Law would be subject to withholding tax at a rate of 10%.

### **Registration tax**

Neither the issuance nor the transfer of the notes will give rise to any Luxembourg stamp duty, issuance tax, registration tax, transfer tax or similar taxes or duties. Notwithstanding, documents relating to the notes, other than the notes themselves, presented in a notarial deed or in the course of litigation may require registration. In this case, and based on the nature of such documents, registration duties may apply.

### **THE NETHERLANDS**

*The following overview outlines the principal Netherlands tax consequences of the acquisition, holding, settlement, redemption and disposal of the notes, but does not purport to be a comprehensive description of all Netherlands tax considerations that may be relevant. For purposes of Netherlands tax law, a holder of notes may include an individual or entity who does not have the legal title of these notes, but to whom nevertheless the notes or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the notes or the income thereof. This overview is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of an investment in the notes.*

*This overview is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Prospectus, and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.*

*This overview does not address the Netherlands tax consequences for:*

- (i) investment institutions (fiscale beleggingsinstellingen);*
- (ii) pension funds, exempt investment institutions (vrijgestelde beleggingsinstellingen) or other entities that are exempt from Netherlands corporate income tax;*
- (iii) holders of notes holding a substantial interest (aanmerkelijk belang) or deemed substantial interest (fictief aanmerkelijk belang) in the Issuer and holders of notes of whom a certain related person holds a substantial interest in the Issuer. Generally speaking, a substantial interest in the Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of the Issuer or of 5% or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Issuer;*
- (iv) persons to whom the notes and the income from the notes are attributed based on the separated private assets (afgezonderd particulier vermogen) provisions of the Netherlands income tax Act 2001 (Wet inkomstenbelasting 2001) and the Netherlands gift and inheritance tax Act (Successiewet 1956);*
- (v) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba, to which permanent establishment or permanent representative the notes are attributable; and*
- (vi) individuals to whom notes or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands*

*Where this overview refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.*

## ***Withholding Tax***

All payments made by the Issuer under the notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

## ***Corporate and Individual Income Tax***

### (a) Residents of the Netherlands

If a holder is a resident of the Netherlands or deemed to be a resident of the Netherlands for Netherlands corporate tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of an enterprise to which the notes are attributable, income derived from the notes and gains realized upon the redemption, settlement or disposal of the notes are generally taxable in the Netherlands (at up to a maximum rate of 25%).

If an individual is a resident or deemed to be a resident of the Netherlands for Netherlands individual income tax purposes (including an individual holder who has opted to be taxed as a resident of the Netherlands), income derived from the notes and gains realized upon the redemption, settlement or disposal of the notes are taxable at the progressive rates (at up to a maximum rate of 52%) under the Netherlands income tax act 2001 (*Wet inkomstenbelasting 2001*), if:

(i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the notes are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the notes are attributable; or

(ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the notes that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) applies, an individual holding the notes must determine taxable income with regard to the notes on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realized. This deemed return on income from savings and investments is fixed at a rate of 4% of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the notes will be included as an asset in the individual's yield basis. The 4% deemed return on income from savings and investments is taxed at a rate of 30%.

### (b) Non-residents of the Netherlands

If a person is not a resident nor is deemed to be a resident of the Netherlands for Netherlands tax purposes (nor has not opted to be taxed as a resident of the Netherlands), such person is not liable to Netherlands income tax in respect of income derived from the notes and gains realized upon the settlement, redemption or disposal of the notes, unless:

(i) the person is not an individual and such individual (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the notes are attributable, or (2) is (other than by way of securities) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the notes are attributable.

This income is subject to Netherlands corporate income tax at up to a maximum rate of 25%.

(ii) the person is an individual and such person (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the notes are attributable, or (2) realizes income or gains with respect to the notes that qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*) in the Netherlands, which includes activities with respect to the notes that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*), or (3) is (other than by way of securities) entitled to a share in the profits of an enterprise which is effectively managed in the Netherlands and to which enterprise the notes are attributable.

Income derived from the notes as specified under (1) and (2) is subject to individual income tax at up to a maximum rate of 52%. Income derived from a share in the profits as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on income from savings and investments (as described above under "Residents of the Netherlands"). The fair market value of the share in the profits of the enterprise (which includes the notes) will be part of the individual's Netherlands yield basis.

### ***Gift and Inheritance Tax***

#### (a) Residents of the Netherlands

Generally, gift and inheritance tax will be due in the Netherlands in respect of the acquisition of the notes by way of a gift by, or on behalf of, or on the death of, a holder that is a resident or deemed to be a resident of the Netherlands for the purposes of Netherlands gift and inheritance tax at the time of the gift or his or her death. A gift made under a condition precedent is deemed to be a made at the time the condition precedent is fulfilled and is subject to Netherlands gift and inheritance tax if the donor is, or is deemed to be resident of the Netherlands at that time.

A holder of Netherlands nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands gift and inheritance tax if he or she has been resident in the Netherlands and dies or makes a donation within ten years after leaving the Netherlands. A holder of any other nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands gift tax if he or she has been resident in the Netherlands and makes a donation within a twelve months period after leaving the Netherlands. The same twelve-month rule may apply to entities that have transferred their seat of residence out of the Netherlands.

#### (b) Non-residents of the Netherlands

No gift or inheritance taxes will arise in the Netherlands in respect of the acquisition of the notes by way of a gift by, or as a result of, the death of a holder that is neither a resident nor deemed to be a resident of the Netherlands for the purposes of Netherlands gift and inheritance tax, unless in the case of a gift of the notes by, or on behalf of, a holder who at the date of the gift was neither a resident nor deemed to be a resident of the Netherlands, such holder dies within 180 days after the date of the gift, and at the time of his or her death is a resident or deemed to be a resident of the Netherlands. A gift made under a condition precedent is deemed to be a made at the time the condition precedent is fulfilled.

### ***Value Added Tax***

In general, no value added tax will arise in respect of payments in consideration for the issue of the notes or in respect of a cash payment made under the notes, or in respect of a transfer of notes.

### ***Other Taxes and Duties***

No registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the notes.



## NORWAY

*The following is a general description of the Norwegian withholding tax considerations relating to the notes. The description is based on legislation as at the date of this document. It does not purport to be a complete analysis of all tax considerations relating to the notes, whether in Norway or elsewhere. It is recommended that prospective investors of the notes consult their own tax advisers for information with respect to the special tax consequences that may arise as a result of holding the notes, including the applicability and effect of foreign income tax rules, provisions contained in double taxation treaties and other rules which may be applicable. Any changes to applicable tax laws may have a retrospective effect. The information contained within this section is limited to withholding tax issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the notes.*

All payments of interest and principal by the Issuer in the context of holding, disposal, redemption or repurchase of the notes will not be subject to Norwegian withholding tax.

## POLAND

*The following information about certain Polish taxation matters is based on the laws and practice in force as of the date of this Base Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following information does not purport to be a comprehensive description of all the tax consequences and considerations that may be relevant to acquisition, holding, disposing and redeeming of or cancelling (as applicable) the notes, and does not purport to deal with the tax consequences applicable to all categories of investors. The following information is based on the assumption that no Agent is located in Poland. The following information is not intended to be, nor should it be construed to be, legal or tax advice. It is recommended that potential purchasers of the notes consult with their legal and tax advisors as to the tax consequences of the purchase, holding, sale or redemption of notes.*

### ***Withholding tax***

No withholding tax will be levied in Poland on interest earned under the notes, because the Issuer is located outside of Poland and interest does not constitute a Polish source income.

### *Taxation of income*

#### **Polish resident individuals**

Individuals having their place of residence in Poland ("Polish Resident Individuals") are subject to Polish Personal Income Tax ("PIT") on their worldwide incomes irrespective of the country from which the incomes were derived. Income earned by Polish Resident Individuals on the disposal or redemption of notes should not be combined with income from other sources but will be subject to the 19 per cent. flat PIT rate. The income is calculated as the difference between the revenue earned on the disposal or redemption of notes (in principle, the selling price or redemption amount) and the related costs (in principle, the issue price). The tax is settled by Polish Resident Individuals on an annual basis. Interest under notes earned by a Polish Resident Individuals should not be combined with income from other sources and will be subject to the 19 per cent. flat PIT rate. The tax is settled by Polish Resident Individuals on an annual basis. Generally, tax withheld in other countries on interest income can be deducted against tax payable on this income in Poland unless otherwise provided by the provisions of the Double Tax Treaty concluded between Poland and country where the tax was withheld.

#### **Polish resident entities**

Entities having their seat or place of management in Poland ("Polish Resident Entities") are subject to Polish Corporate Income Tax ("CIT") on their worldwide incomes irrespective of the country from which the incomes were derived. Income earned by Polish Resident Entities on the disposal or redemption of notes is subject to the 19 per cent. CIT rate. The income is calculated as the difference between the revenue earned on the disposal or redemption of notes (in principle, the selling price or redemption amount) and the related costs (in principle, the issue price).

The amount of interest earned by a Polish Resident Entity under notes is subject to the 19 per cent. CIT rate. Generally, tax withheld in other countries on interest income can be deducted against tax payable on this income in Poland unless otherwise provided by the provisions of the Double Tax Treaty concluded between Poland and country where the tax was withheld.

### **Non-resident individuals and entities**

Individuals and entities that are Polish non-residents will not generally be subject to Polish taxes on income resulting from the disposal or redemption of notes unless such income is attributable to an enterprise which is either managed in Poland or carried on through a permanent establishment in Poland. However, some double tax treaties concluded by Poland may provide for a different tax treatment (for example, in case of the disposal of share/notes in a real estate company). In addition, in the case of individuals resident in a country which does not have a double tax treaty with Poland, there may be a risk of taxation of the types of income referred to in this paragraph, in the case of the disposal/redemption of notes quoted on the Warsaw Stock Exchange.

### ***Taxation of inheritances and donations***

The Polish tax on inheritance and donations is paid by individuals who received title to notes by right of succession, as legacy, further legacy, testamentary instruction or gift only if at the moment of the acquisition of the notes the acquirers were the Polish citizens or had residence within the territory of Poland. The rates of tax on inheritances and donations vary depending on the degree of kinship by blood, kinship through marriage or other types of personal relationships existing between the testator and the heir, or between the donor and the donee (the degree of the kinship is decisive for the assignment to a given tax group). The tax rate varies from 3 per cent. to 20 per cent. of the taxable base depending on the tax group to which the recipient was assigned. Acquisition of ownership of notes by a spouse, descendants, ascendants, stepchildren, siblings, stepfather or stepmother is tax exempt if the beneficiary notifies the head of the competent tax office of the acquisition within six months of the day when the tax liability arose or, in the case of an inheritance, within six months of the day when the court decision confirming the acquisition of the inheritance becomes final.

### ***Tax on civil law transactions***

Generally tax on civil law transactions at the rate of 1 per cent. is levied on the sale or exchange of the rights exercised in Poland. The taxpayer of this tax is only the purchaser of the rights. The tax is also imposed on agreements for the sale or exchange of the rights exercised outside Poland (including notes) only if the sale or exchange agreement is concluded in Poland and the purchaser has a place of residence or seat in the territory of Poland. However, the sale of notes (i) to investment firms (including foreign investment firms), or (ii) via investment firms (including foreign investment firms) acting as intermediaries, or (iii) the sale of the notes either on the Warsaw Stocks Exchange or on any multilateral trading facility operating in accordance with relevant regulations (i.e. in the "Organized trading"), or (iv) outside the Organized trading by investment firms (including foreign investment firms) if the notes had been acquired by such firms as a part of Organized trading - is exempt from tax on civil law transactions.

### ***Other Taxes***

No other Polish taxes should be applicable to the notes.

### ***Polish implementation of the EU Savings Tax Directive***

In accordance with EC Council Directive 2003/48/EC on the taxation of savings income, Poland will provide to the tax authorities of another EU member state (and certain non-EU countries and associated territories specified in that directive) details of payments of interest or other similar income paid or made available by a person having its seat within Poland to, or collected by such a person for, an individual resident in such other state.

### **PORTUGAL**

*The following is a general description of certain Portuguese withholding tax considerations relating to the notes. It does not purport to be a complete analysis of all tax considerations relating to the notes, whether in Portugal or elsewhere neither to address the tax consequences applicable to all categories of investors, some of which may be subject to special rules. This overview is based upon the law as in effect on the date of this European base prospectus. It is subject to any change of the law that may apply after such date. The information contained within this section is limited to withholding taxation on income paid to Portuguese resident entities, and prospective investors should not apply any information set out below to other areas. Prospective purchasers of the notes should consult their own tax advisers as to the consequences of making an investment in, holding or disposing of the notes and the receipt of any amount under the notes.*

Payments of interest (and principal) and other income by the relevant Issuers under the notes may in principle be made without any withholding for or on account of Portuguese taxes to the extent that the relevant Issuers are not residents of Portugal or are not otherwise acting through a Portuguese permanent establishment.

However, interest and other income (excluding capital gains) arising from the notes is subject to withholding tax at a 28% rate when paid or made available by Portuguese resident entities (acting on behalf of the Issuer or of the holders of the notes) to Portuguese resident individuals, in which case tax should be withheld by the former.

In this case, the holder of the notes may choose to treat the withholding tax as a final tax or to tax the income at the general progressive income tax rates of up to 48% (plus (i) an additional surcharge of 2.5% applicable on income exceeding euro 80,000 and up to euro 250,000 and of 5% applicable on income exceeding euro 250,000 and (ii) a surtax of 3.5% on income exceeding the annual national minimum wage), in which case the withholding will be considered as a payment on account of the final tax liability.

Such income when paid or made available to accounts in the name of one or more resident accountholders acting on behalf of unidentified third parties is subject to a final withholding tax rate of 35% unless the relevant beneficial owners of the income are identified, in which case the general tax rules apply.

A withholding tax rate of 35% also applies to income due by non-resident entities domiciled in a country, territory or region subject to a clearly more favorable tax regime included in the "low tax jurisdictions" list (approved by Ministerial order no. 150/2004, of 13 February 2004, as amended) and paid or made available by Portuguese resident entities to individuals resident in Portugal.

### ***Portuguese implementation of the EU Savings Tax Directive***

Portugal has implemented the EU Savings Directive on taxation of savings income in the form of interest payments into the Portuguese law through Decree-Law no. 62/2005, of 11 March 2005, as amended.

## SPAIN

*The following is a general description of the Spanish withholding tax treatment and indirect taxation of payments under the notes, as well as a brief description of the tax treatment of income under the notes obtained by entities or individuals resident in Spain for tax purposes (and, in case of entities non-resident in Spain, those acting through a permanent establishment in Spain). It specially contains information on taxes on the income from the notes withheld at source and provides an indication as to whether the issuer assumes responsibility for the withholding of taxes at source. The statements herein regarding Spanish taxes and withholding taxes in Spain are based on the laws in force as well as administrative interpretations thereof in Spain as at the date of this European base prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. It does not purport to be a complete analysis nor a comprehensive description of all tax considerations relating to the notes, whether in Spain or elsewhere, which may be relevant to a decision to subscribe for, purchase, own or dispose of the notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of the notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the notes and receiving payments of interest, principal and/or other amounts under the notes and the consequences of such actions under the tax laws of Spain. The information contained within this section is limited to taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the notes.*

### **Indirect Taxation**

Whatever the nature and residence of the investor, the acquisition and transfer of the notes will not trigger indirect taxes in Spain, i.e. Transfer Tax, Stamp Duty or Value Added Tax.

### **Direct Taxation**

#### *Spanish resident individuals*

(a) Personal Income Tax ("PIT") (*Impuesto sobre la Renta de las Personas Físicas*)

(i) Interest payments under the notes

Please note that income earned by Spanish resident individuals under the notes should qualify as interest payments. In general, interest payments obtained by Spanish resident individuals should be subject to withholding tax at 19 per cent. (21 per cent. in fiscal years 2012 and 2013, although it is foreseen to be extended at least for 2014) on account of the final PIT liability of the Spanish individual investor. Notwithstanding the above, due to the fact that, as a general rule, non-resident in Spain entities not acting through a permanent establishment in Spain are not bound to withhold on account of PIT on payments made to Spanish resident individuals, interest payments under notes should be only subject to withholding tax in Spain in case they are deposited in a depositary entity or individual resident in Spain (or acting through a permanent establishment in Spain) or if an entity or individual resident in Spain (or acting through a permanent establishment in Spain) is in charge of the collection of the income derive from the notes, provided that such income had not been previously subject to withholding tax in Spain.

Notwithstanding the above, Spanish resident individuals earning such income will still be subject to PIT – to be declared in their annual tax returns – according to the following rates:

(A) Amounts up to EUR 6,000: 19 per cent.

(B) Amounts exceeding EUR 6,000: 21 per cent.

However, please note that, for 2012 and 2013 only, income will be subject to the following rates:

- (A) Amounts up to EUR 6,000.00: 21 per cent.
- (B) Amounts ranging between EUR 6,000.01 and EUR 24,000: 25 per cent.
- (C) Amounts exceeding EUR 24,000: 27 per cent.
- (ii) Income upon transfer or redemption of the notes

In general, income earned upon transfer or redemption of the notes may be subject to Spanish withholding tax at 19 per cent. (21 per cent. in fiscal years 2012 and 2013, although it is foreseen to be extended at least for 2014) on account of the final PIT liability of the Spanish individual investor. Notwithstanding the above, as non-resident in Spain entities not acting through a permanent establishment are not bound to withhold on account of PIT on payments made to Spanish resident individuals, income upon transfer or redemption of the notes should be only subject to withholding tax in Spain in case there is a financial entity acting on behalf of the seller, provided such entity is resident for tax purposes in Spain or has a permanent establishment in the Spanish territory. However, when the notes (a) are represented in book-entry form; (b) are admitted to trading on a Spanish secondary stock exchange; and (c) generate explicit yield, holders can benefit from a withholding tax exemption in respect of the income arising from the transfer or reimbursement of the notes, exception made of income derived from accounts entered into with financial entities, provided that such income were based on financial instruments, such as the notes.

Despite the above, in case of transfer on the notes taking place within the 30 days period before any coupon payment date, the part of the price corresponding to interest accrued and not paid would be subject to withholding tax provided that (i) the acquirer is a Corporate Income Tax taxpayer or a non-resident entity or individual; and (ii) the explicit yield deriving from the notes (i.e. interest) are not subject to withholding tax.

Notwithstanding the above, Spanish resident individuals earning such income will still be subject to PIT – to be declared in their annual tax returns – according to the following rates:

(A) In case of capital gains obtained after one year holding period (after the acquisition of the notes) has elapsed:

- (aa) Amounts up to EUR 6,000: 19 per cent.
- (bb) Amounts exceeding EUR 6,000: 21 per cent.

However, please note that, for 2012 and 2013 (although it is foreseen to be extended at least for 2014), capital gains will be subject to the following rates:

- (aa) Amounts up to EUR 6,000.00: 21 per cent.
- (bb) Amounts ranging between EUR 6,000.01 and EUR 24,000: 25 per cent.
- (cc) Amounts exceeding EUR 24,000: 27 per cent.

(B) In case of capital gains not obtained after one year holding period (after the acquisition of the notes) has elapsed: the capital gain would be taxed at the taxpayer's marginal tax rate, up to a maximum of 49 per cent. (depending on the Spanish region where the taxpayer's residence is located). However, please note that, for 2012 and 2013 (although it is foreseen to be extended at least for 2014), a special levy increasing the PIT tax rate has been approved, which amounts to a maximum of an additional 7 per cent. to be added at the general tax rate.

- (b) Net Wealth Tax (*Impuesto sobre el Patrimonio*)

Please note that, for tax years 2011, 2012 and 2013, (although it cannot be discarded that this measure may be extended for subsequent tax years) the Net Wealth Tax has been re-established for taxpayers whose net wealth is higher than EUR 700,000 (after discounting a maximum of EUR 300,000 in value should the taxpayer own his / her habitual abode).

In light of the above, Spanish resident taxpayers should include in their Net Wealth Tax self-assessment the notes, if they are listed in an official market, for the average negotiation value of the fourth quarter and, in other case, for its nominal value (including redemption premiums).

The value of the notes together with the rest of the taxpayer's wealth, once reduced by the deductible in rem liens and encumbrances which reduce the rights and assets values and the personal debts of the taxpayer, shall be taxed at a tax rate between 0.2 to 2.5 per cent.

Finally, please note that the Spanish regions are entitled to modify (i) the threshold of net wealth exempt from taxation; (ii) the tax rates and (iii) the tax benefits and exemptions to be applied in their territory, what may entail a significant reduction or increase of the tax leakage under this tax, or even its abolition in practice.

#### *Spanish resident companies*

##### (a) Corporate Income Tax ("CIT") (*Impuesto sobre Sociedades*)

Income under the notes would be subject to withholding tax on account of the taxpayer CIT debt in the same conditions described for income obtained by Spanish resident individuals:

(i) Interest payments under the notes should be subject to withholding tax at 19 per cent. (21 per cent. in fiscal years 2012 and 2013, although it is foreseen to be extended at least for 2014) on account of the final CIT liability of the Spanish investor. Notwithstanding the above, as non-resident in Spain entities not acting through a permanent establishment are not bound to withhold on account of CIT on payments made to Spanish resident entities, interest payments under notes should be only subject to withholding tax in Spain in case they are deposited in a depositary entity or individual resident in Spain (or acting through a permanent establishment in Spain) or if an entity or individual resident in Spain (or acting through a permanent establishment in Spain) is in charge of the collection of the income derive from the notes, provided that such income had not been previously subject to withholding tax in Spain.

(ii) Income upon transfer or redemption of the notes may be subject to Spanish withholding tax at 19 per cent. (21 per cent. in fiscal years 2012 and 2013, although it is foreseen to be extended at least for 2014) on account of the final CIT liability of the Spanish investor. Notwithstanding the above, as non-resident in Spain entities not acting through a permanent establishment are not bound to withhold on account of CIT on payments made to Spanish resident entities, income upon transfer or redemption of the notes should be only subject to withholding tax in Spain in case there is a financial entity acting on behalf of the seller, provided such entity is resident for tax purposes in Spain or has a permanent establishment in the Spanish territory and such income had not been previously subject to withholding tax in Spain.

However, when (i) the notes are represented in book-entry form and are admitted to trading on a Spanish secondary stock exchange; or (ii) the notes are listed on an OECD market; a withholding tax exemption should apply in respect of the income under the notes, exception made of income derived from accounts entered into with financial entities, provided that such income were based on financial instruments, such as the notes.

Some additional exemptions on withholding taxes may apply depending on the condition of the investors.

Without prejudice to the foregoing, Spanish resident companies earning such income will still be subject to CIT – to be declared in their annual tax returns – at a general 30 per cent. rate (25 per cent. in case of small and medium-sized companies, limited to overall profits up to EUR 300,000, provided certain additional requirements are met).

## *Non-resident Income Tax – Non-Resident Investors acting through a Permanent Establishment in Spain.*

If the notes form part of the assets of a permanent establishment in Spain of a person or legal entity who is not resident in Spain for tax purposes, the tax rules applicable to income deriving from such notes are, generally, the same as those previously set out for Spanish Corporate Income Taxpayers.

### **SLOVAKIA**

*The following is a brief overview of Slovakia (income) tax aspects in connection with the notes. It does not claim to fully describe all Slovak tax consequences of the acquisition, ownership, disposition or redemption of the notes. In some cases a different tax regime may apply. As under the Program different types of notes may be issued, the tax treatment of such notes can be different due to their specific terms. Further, this overview does not take into account or discuss the tax laws of any country other than Slovakia nor does it take into account the investors' individual circumstances. Prospective investors are advised to consult their own professional advisors to obtain further information about the tax consequences of the acquisition, ownership, disposition, redemption, exercise or settlement of any of the notes. Only personal advisors are in a position to adequately take into account special tax aspects of the particular notes in question as well as the investor's personal circumstances and any special tax treatment applicable to the investor.*

*This overview is based on Slovak law as in force as of the date of this European Base Prospectus. The laws and their interpretation by the tax authorities may change and such changes may also have retroactive effect. With regard to certain innovative or structured financial notes or instruments there is currently neither case law nor comments of the financial authorities as to the tax treatment of such financial notes and instruments. Accordingly, it cannot be ruled out that the Slovak financial authorities and courts or the Slovak paying agents adopt a view different from that outlined below. Kindly note that Slovakia is currently in the process of amending Slovak taxation laws in relation to in-come and withholding taxes applicable to individuals holding the notes which could lead to material changes of the legal framework applicable to the taxation of individuals holding the notes. If such income tax law amendment would be approved, it would enter into force at the beginning of July 2013, based on information available as of the date hereof.*

#### ***Slovak taxation in general***

In the case where payments vis-à-vis Slovak investors and related to the notes (in Slovak: "dlhopisy") issued on the basis of the European Base Prospectus will not be made either by Slovak entity nor Slovak resident transfer/payment agent will take care of the payments related to the notes, such payments related to the above notes will not be subject to the withholding or securing tax in the Slovak Republic.

If the payments related to the notes not being the state notes are paid by the paying agent resident or having a permanent establishment in the Slovak Republic, there is a high risk that the interest or any other similar income paid (i) to individuals, (ii) to a taxable party not established or founded to conduct business (e.g. associations of legal entities, chambers of professionals, civic associations, including trade union organizations, political parties and movements, churches and religious communities recognized by the State, etc.), (iii) to the National Property Fund of the Slovak Republic, (iv) to the National Bank of Slovakia or (v) to a non-resident legal entity not conducting business in the territory of the Slovak Republic through a permanent establishment (i.e. a legal entity not having its registered office or its place of actual management or its permanent establishment in the territory of the Slovak Republic – non-Slovak tax resident) could be subject to the 19 per cent withholding tax.

Further, any interest paid or any other similar income from notes not being the state notes paid by the paying agent resident or having a permanent establishment in the Slovak Republic to other non-Slovak tax resident not mentioned in the previous paragraph may still be subject to 19 per cent securing tax, unless the non-Slovak tax resident is a tax resident of an EU Member State (in which case no tax securing is required). Further, no tax securing should be required if a non-Slovak tax resident proves that

he already pays Slovak income tax prepayments; the respective tax administrator may however decide otherwise. In any case, such tax security would be subsequently credited against the final Slovak tax liability of the non-Slovak tax resident in its income tax return. The applicable Double Taxation Treaty may further provide for exemption or credit of whole amount of such tax paid in Slovakia or part thereof.

Furthermore, please note that the tax consideration of the regime of interest paid to other types of taxable parties, as mentioned above or the tax consideration of the regime of interest paid from others types of securities as notes, if applicable, would be much more complex and would require separate more detailed consideration.

### ***Individual Investors***

#### *Individual is Slovak resident or has his/her habitual abode in Slovakia*

All payments of interest and principal by the Issuer under the notes can be made free and clear of any withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or assessed by Slovakia or taxing authority thereof or therein, in accordance with the applicable Slovak law, subject however to:

The application of 19% Slovak withholding tax (in Slovak: "zrážková daň"), if income derived from the notes is paid out by a custodian or a paying agent (credit institutions including Slovak branches of foreign credit institutions paying out the income to the holder of the notes) located in Slovakia. The term "income from the notes" includes (i) interest and (ii) other income derived from the notes.

In case no withholding tax is levied on income from the notes (i.e., interest income is not paid out by a custodian or paying agent in Slovakia), Slovak resident individual investors will have to declare the income derived from the notes in their income tax returns pursuant to the Slovak Income Tax Act. In this case the income from the notes is generally subject to Slovak personal income tax at the 19% - 25% rate.

#### *Individual is not Slovak resident nor has his/her habitual abode in Slovakia*

In case of non-residents holders of the notes, Slovak withholding tax will apply on resulting interest payments, provided that such payments are made by a custodian or paying agent in Slovakia.

### ***Capital Gains***

Income realized by a non-Slovak tax resident, not holding the notes through a permanent establishment in the Slovak Republic, from the sale of the notes: (i) to a Slovak tax resident, or (ii) to a Slovak permanent establishment of another non-Slovak tax resident will be subject to taxation in the Slovak Republic, unless an applicable Double Taxation Treaty provides for other taxation of income or capital gains realized from the sale of the notes by such non-Slovak tax resident. Most of the applicable Double Taxation Treaties do not permit taxation of such income in the Slovak Republic at all.

If such income realized by a non-Slovak tax resident still remains taxable in the Slovak Republic under the previous paragraph and the applicable Double Taxation Treaty does not state otherwise, a 19% securing tax is deducted by the purchaser, unless the non-Slovak tax resident is a tax resident of an EU Member State (in which case no tax securing is required). Further, no tax securing should be required if a non-Slovak tax resident proves that he already pays Slovak income tax prepayments; the respective tax administrator may however decide otherwise. In any case, such tax security would be subsequently credited against the final Slovak tax liability of the non-Slovak tax resident. The applicable Double Taxation Treaty may further provide for exemption or credit of whole amount of such tax paid in Slovakia or part thereof.

Income realized by Slovak tax residents from the sale of the notes is generally subject to Slovak corporate income tax at 23% flat rate or personal income tax at the 19% - 25% rate. Losses from the sale of the notes will only be tax deductible if the conditions prescribed by Act No. 595/2003 Coll. on Income Tax, as amended are met.



If the income related to sale of the notes are paid by the paying agent resident or having a permanent establishment in the Slovak Republic, there is a high risk that such income paid (i) to a taxable party not established or founded to conduct business (e.g. associations of legal entities, chambers of professionals, civic associations, including trade union organizations, political parties and movements, churches and religious communities recognized by the State, etc.), (ii) to the National Property Fund of the Slovak Republic or (iii) to the National Bank of Slovakia could be subject to the 19 per cent withholding tax (self-assessed by these taxpayers).

### ***Revaluation differences***

Slovak tax residents that prepare their financial statements under the Slovak Accounting Standards for Entrepreneurs or under the International Financial Reporting Standards may be required to reevaluate the notes to fair value for accounting purposes, whereby the revaluation would be accounted for as revenue or expense. Such revenue is generally taxable and the corresponding expense should be generally tax deductible for Slovak tax purposes.

### ***EU Savings Directive***

Under Directive 2003/48/EC on the taxation of savings income that has been implemented in Slovak law, Member States are required to provide to the tax authorities of another Member State details of payments of interest (as defined in the Savings Directive) made by a paying agent (as defined in the Savings Directive) within its jurisdiction to an individual resident in that other Member State. During a transitional period, Austria and Luxembourg are required (unless during that period they require otherwise) to apply a withholding tax on interest payments instead of providing details of payments of interest to the tax authorities of other Member States. The rate of such withholding tax from July 2011 until the end of the transitional period is 35%.

A number of third countries and dependent or associated territories have adopted similar measures with effect from 1 July 2005.

### ***Responsibility for Withholding of Taxes***

The Issuer is not liable for the withholding of taxes at source. Withholding tax is levied by a Slovak custodian or paying agent.

### ***Inheritance and Gift Tax***

In Slovakia, inheritance and gift tax has been abolished as of 2004.

### ***Other applicable taxes***

No Slovak stamp duty, registration, transfer or similar tax will be payable in connection with the acquisition, ownership, sale or disposal of the notes. Certain immaterial registration fees may however be applicable.

## **SWEDEN**

### ***Individuals***

There is no Swedish withholding tax (Sw. *kupongskatt*) levied on payments made by the Issuer in respect of the notes. In order to secure the tax payments by individuals, Sweden has a system of advance tax withholdings (Sw. *skatteavdrag*). According to this system, a Swedish paying agent will withhold the advance tax at a rate of 30 per cent on payments treated as interest made to individuals resident in Sweden for tax purposes. Such advance tax withheld will be used for the payment of such individual's final taxes.

## **Corporate**

Payment of interest or compensation on the notes to a corporate entity resident in Sweden will not be subject to any Swedish withholding tax.

## **UNITED KINGDOM**

*The following comments are of a general nature, relating only to the position of persons who are absolute beneficial owners of the notes and is based on United Kingdom law and what is understood to be the current practice of Her Majesty's Revenue & Customs ("HMRC"), in each case at the date of this European base prospectus, which may change at any time, possibly with retrospective effect. The following is a general overview only of the United Kingdom withholding taxation treatment at the date hereof in relation to income payments in respect of the notes. The comments are not exhaustive, and do not deal with other United Kingdom tax aspects of acquiring, holding, disposing of or abandoning the notes.*

### ***Interest payments***

Interest will only be subject to a deduction on account of United Kingdom income tax if it has a United Kingdom source in which case it may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply.

The location of the source of a payment is a complex matter. It is necessary to have regard to case law and HMRC practice. Some of the case law is conflicting but HMRC take the view that in determining the source of interest all relevant factors must be taken into account. HMRC has indicated that the most important factors in determining the source of a payment are those which influence where a creditor would sue for payment and has stated that the place where the Issuer does business and the place where its assets are located are relevant factors in this regard; however, HMRC has also indicated that, depending on the circumstances, other relevant factors may include the place of performance of the contract, the method of payment, the proper law of contract, the competent jurisdiction for any legal action and the location of any security for the debt, although other factors may also be relevant.

Where interest has a United Kingdom source, any payment of interest may nonetheless be made without withholding or deduction for or on account of United Kingdom income tax where any of the following conditions are satisfied:

(i) if the notes are and continue to be "quoted Eurobonds" as defined in section 987 of the Income Tax Act 2007. The notes will constitute "quoted Eurobonds" if they carry a right to interest and are and continue to be listed on a recognized stock exchange within the meaning of section 1005 of the Income Tax Act 2007. Notes admitted to trading on a recognized stock exchange outside the United Kingdom will be treated as "listed" on a recognized stock exchange if (and only if) they are admitted to trading on that exchange and they are officially listed in accordance with provisions corresponding to those generally applicable in European Economic Area states in a country outside the United Kingdom in which there is a recognized stock exchange (the Luxembourg Stock Exchange is a recognized stock exchange for these purposes); or

(ii) if the relevant interest is paid on notes with a maturity date of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such notes part of a borrowing with a total term of a year or more.

The references to "interest" above mean "interest" as understood in United Kingdom tax law and in particular any premium element of the redemption amount of any notes redeemable at a premium may constitute a payment of interest subject to the withholding tax provisions discussed above and reporting requirements as outlined below. The statements above do not take any account of any different

definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the notes or any related documentation.

***Other payments***

Payments under the notes which do not amount to interest, rent or annual payments for the purposes of United Kingdom tax will normally not be subject to United Kingdom withholding tax.

**FORM OF FINAL TERMS (Series F Notes)**

Final Terms No. [●] to the European Base Prospectus dated June 10, 2013[,  
as supplemented]



**The Goldman Sachs Group, Inc.**  
Euro Medium-Term Notes, Series F

---

*[Title of [Fixed Rate] [Floating Rate] [Fixed/Floating Rate] [Zero Coupon] [Discount] [Range Accrual] notes]*

*Contractual Terms:*

---

[Terms used herein shall be deemed to be defined as such for the purposes of the General Note Conditions set forth in the base prospectus dated June 10, 2013, as it may be supplemented (the "Base Prospectus") which is a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus.]

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]*

[Terms used herein shall be deemed to be defined as such for the purposes of the General Note Conditions set forth in the base prospectus dated [June 8, 2012] [June 10, 2011] [June 11, 2010] [as supplemented by prospectus supplement no. 3 thereto dated October 19, 2011] which [is/are] incorporated by reference in the Base Prospectus dated June 10, 2013, as it may be supplemented (the "Base Prospectus") which is a base prospectus for the purposes of the Prospectus Directive including the terms and conditions incorporated by reference in the Base Prospectus. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectuses. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses.]

The Base Prospectus is available for viewing at [www.bourse.lu](http://www.bourse.lu) and during normal business hours at the registered office of the Issuer, and copies may be obtained from the specified office of the Paying Agent in Luxembourg. [These Final Terms are available for viewing at [www.bourse.lu](http://www.bourse.lu)] *[Include where the notes are to be admitted to trading on the Luxembourg Stock Exchange] / [●] [insert other website if the notes will not be admitted to trading on the Luxembourg Stock Exchange and the Final Terms will be published elsewhere].*

*[If the Notes have a denomination of at least EUR 100,000, then this sentence should be deleted.]* A summary of the Notes (which comprises the summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is attached to these Final Terms.

*[Specify whether each of the items below is applicable or not applicable. Italics denote guidance for completing final terms.]*

<b>Tranche Number</b>	[H-●] <i>[If fungible with an existing tranche, include the date on which the Notes become fungible]</i>
<b>Face Amount (Aggregate Notional Amount)</b>	[●] <i>[If fungible with an existing tranche, specify the face amount of this tranche and the entire face amount of all fungible tranches]</i>
<b>Denomination</b>	[●]
<b>Minimum Investment</b>	[●] [Not applicable]
<b>Type of Note</b>	[Fixed Rate] [Floating Rate] [Fixed/Floating Rate] [Zero Coupon] [Discount] [Range Accrual] Series F note
<b>Specified Currency</b>	[●]

Form of Final Terms (Series F Notes)

<b>Trade Date</b>	[●]
<b>Original Issue Date (Settlement Date)</b>	[●] <i>[If fungible with an existing tranche, specify the original issue dates of all fungible tranches]</i>
<b>ISIN Code</b>	[●]
<b>Common Code</b>	[●]
<b>[Valoren Number</b>	<i>If applicable [●]</i>
<b>Stated Maturity Date</b>	[●]
<b>Original Issue Price</b>	[●] per cent. of the Face Amount [plus accrued interest from <i>[insert date]</i> (if applicable)].
<b>Net Proceeds to Issuer</b>	[[Up to] [●] per cent. of the Face Amount
<b>Original Issue Discount</b>	[Not Applicable] [Applicable] <i>[If Not Applicable, delete the remainder of this row.]</i> <b>OID:</b> [●]% <b>Accretion Date:</b> [●] each year <b>Accretion Rate:</b> [●]% per annum
<b>Amount Payable at Maturity (Final Redemption Amount)</b>	[[●]% of the Face Amount outstanding on the Stated Maturity Date]
<b>[Yield to Maturity</b>	<i>Fixed Rate notes only: [●]%]</i>
<b>Interest Rate</b>	<i>[For fixed rate notes with a single interest rate for the full term of the notes: ●% per annum]</i> <i>[For floating rate notes: A rate per annum equal to the Base Rate [plus the Spread] [multiplied by the Spread Multiplier, if any.]]</i> <i>[For notes that do not bear interest: Not applicable]</i>
<b>[Base Rate(s)</b>	<i>For floating rate notes, the base rate or rates]</i>
<b>[Underlyer Maturity</b>	<i>For floating rate notes, the Underlyer maturity]</i>
<b>[Underlyer Currency</b>	<i>For floating rate notes, the Underlyer currency]</i>
<b>[Underlyer Screen Page</b>	<i>For floating rate notes, the Underlyer screen page]</i>
<b>[Spread</b>	<i>For floating rate notes, if applicable: ●]</i>
<b>[Spread Multiplier</b>	<i>For floating rate notes, if applicable: ●]</i>
<b>[Minimum Rate</b>	<i>For floating rate notes, if applicable: ●]</i>
<b>[Maximum Rate</b>	<i>For floating rate notes, if applicable: ●]</i>
<b>[Interest Determination Dates</b>	<i>For floating rate notes: The [first] [second] [Euro] [London] Business Day preceding the [first] [last] day of such Interest Period [Modify as appropriate]</i>
<b>[Interest Reset Dates</b>	<i>The [first] [specify] day of such Interest Period</i>
<b>Day Count Fraction</b>	[1/1 (ISDA)] [Actual/Actual (ISDA)] [Actual/Actual (ICMA)] [Actual/Actual (Bond)] [Actual/Actual (Euro)] [Actual/365 (Fixed)] [Actual/360 (ISDA)] [Actual/360 (ICMA)] [30/360 (ISDA)] <i>[For notes that do not bear interest: Not Applicable]</i>

**Change in Interest Rate Note Provisions**

[Not Applicable] [Applicable]

[If Not Applicable, delete the remainder of this row. If applicable modify as appropriate]

Scheduled Interest Payment Date	Rate of Interest	Spread / Cap / Floor
[first interest payment date]	[[●] per cent.] [Base Rate: ●] [Underlyer Maturity: ●] [Underlyer Currency: ●] [Underlyer Screen Page: ●]	[Spread: ●] [Spread Multiplier: ●] [Minimum Rate: ●] [Maximum Rate: ●]
[insert date] [repeat as required]	[repeat as required]	[repeat as required]

Scheduled Interest Payment Date	Interest Determination Dates	Interest Reset Dates	Day Count Fractions
[first interest payment date]	[specify]	[specify]	[specify]
[insert date] [repeat as required]	[repeat as required]	[repeat as required]	[repeat as required]

**Interest Commencement Date**

For fixed and floating rate notes, the interest commencement date]

[For notes that do not bear interest: Not Applicable]

**Interest Payment Dates**

For fixed and floating rate notes: ●[●, and ●] of each year[, beginning with ● and ending with ●]

[For notes that do not bear interest: Not Applicable]

**Range Accrual Provisions**

[Not Applicable] [Applicable]

[If Not Applicable, delete the remainder of this row.]

Underlyers	Accrual Range	Underlyer Daily Fixings
[LIBOR] [EURIBOR] [AUD BBSW] [[ccy1][ccy2] FX Fixing] [specify]	[[Equal to or] greater than ●] [or][and] [[[Equal to or] less than ●]	[specify]
[repeat as required]	[repeat as required]	[repeat as required]

Special Default Amount: [Not Applicable] [Applicable]

[For each Underlyer that is a Foreign Currency Exchange Rate:

Exchange Rate Underlyers	Bid/Ask/Mid	Fixing Page	Fixing Time
[[ccy1][ccy2] FX Fixing]	[—] [bid] [ask] [mid]	[specify]	[specify]
[repeat as required]	[repeat as required]	[repeat as required]	[repeat as required]

**Calculation Basis**

[Per Denomination] [Notional]

**Regular Record Dates**

● [For registered notes under NSS: 1] Business Day(s)

**Additional Redemption Rights at the Option of the Issuer**

[Not Applicable] [Applicable]

[If Not Applicable, delete the remainder of this row.]

Issuer's Redemption Date	Issuer's Redemption Price
[insert date]	[●] per cent.
[insert date] [repeat as required]	[●] per cent. [repeat as required]

Issuer's Redemption Notice: ● [Business Days][days]

Form of Final Terms (Series F Notes)

**Repurchase at the Holder's Option**

[Not Applicable] [Applicable]  
 [If Not Applicable, delete the remainder of this row.]

Holder's Redemption Date	Holder's Redemption Price
[insert date]	[•] per cent.
[insert date] [repeat as required]	[•] per cent. [repeat as required]

**Redemption Upon Change in Law**

[Not Applicable] [Applicable]

**Gross-up and Call in the Case of Tax Law Changes**

[Not Applicable] [Applicable]

**Business Days**

[New York], [London], [specify]

**Business Day Convention**

[Modified] Following [[Adjusted] [Unadjusted]]

**Intended to be held in a manner which would allow Eurosystem eligibility**

[No] [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

**Any Clearing System(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):**

[specify other, give name(s), address(es) and number(s)] [Not Applicable]

**Calculation Agent**

[For fixed rate notes: Not applicable]  
 [Otherwise: [Goldman Sachs International] [specify]]

**Listing and Admission to Trading**

[For notes listed on the regulated market: Application [has been][will be] made to the Luxembourg Stock Exchange for the notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange [with effect from [•]; see "Listing and General Information" in the European base prospectus]  
 [When notes are to be fungible with an existing issue, indicate if original notes are already admitted to trading on the Luxembourg Stock Exchange]  
 [For all other notes: Not applicable]  
 [If the Notes have a denomination of at least EUR 100,000: Estimate of total expenses related to admission to trading: [•]]

---

Final Terms, dated •

## INFORMATION ABOUT THE UNDERLYER[S]

[an indication where information about the past and the further performance of the underlying and its volatility can be obtained]

[INDEX DISCLAIMER] [Insert only if applicable]

[where the underlying is an interest rate, a description of the interest rate.]

## [TERMS AND CONDITIONS OF THE OFFER]

[(If the Notes pay par at redemption and have a denomination of at least EUR 100,000 to which Annex XX (XIII) of the Prospectus Regulation applies, then this section should be deleted.)]

**[Offer Period:** An offer of the Notes may be made by the agents other than pursuant to Article 3(2) of the Prospectus Directive in the Public Offer Jurisdictions during the period commencing on (and including) [●] and ending on (and including) [●].

**Offer Price:** [[●]% of the Issue Price] [specify].

**Conditions to which the offer is subject:** [The offer of the Notes for sale to the public in the Public Offer Jurisdiction(s) are subject to the relevant regulatory approvals having been granted, and the Notes being issued.] [specify]

**Description of the application process:** [Not Applicable/give details].

**Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:** [Not Applicable/give details].

**Details of the minimum and/or maximum amount of application:** [Not Applicable][The maximum number of Notes to be issued is [●]].

**Details of the method and time limits for paying up and delivering the Notes:** [The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys.] [specify]

**Manner in and date on which results of the offer are to be made public:** The results of the offering will be available on the following website [●] on or around the end of the Offer Period

**Procedure for exercise of any right of preemption, negotiability of subscription rights and treatment of subscription rights not exercised:** [Not Applicable/give details].

**Whether tranche(s) have been reserved for certain countries:** [●] [Not Applicable].

**Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:** [Not Applicable/give details].

**Amount of any expenses and taxes specifically charged to the subscriber or purchaser:** [Not Applicable/give details].

**Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:** [None/give details].

**Name(s) and address(es) of any paying agents and depository agents in each country:** [None/give details]

### **Consent to use the Base Prospectus**

**Identity of financial intermediary(ies) that are allowed to use the Base Prospectus:** [insert name and address of any financial intermediary which has consent to use the Base Prospectus]

**Offer period during which subsequent resale or final placement of Notes by financial intermediaries can be made:** [specify]

**Conditions attached to the consent:** [insert any clear and objective conditions attached to the consent to use the Base Prospectus]



## DISTRIBUTION

*[(If the Notes pay par at redemption and have a denomination of at least EUR 100,000 to which Annex XX (XIII) of the Prospectus Regulation applies, then this section should be deleted.)]*

- Method of distribution:** [Syndicated / Non-syndicated].
- [*Include if syndicated* — Names and addresses of Purchasing Agents and underwriting commitments: [Give names, addresses and underwriting commitments].]
- [*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Purchasing Agents.*]
- [*Include if syndicated* — Date of Terms Agreement: specify]
- [*Include if non-syndicated* — Name and address of Dealer: [give name and address].]
- Non-exempt Offer:** [Not Applicable] [An offer of the Notes may be made by the Managers [and [*specify, if applicable*]] other than pursuant to Article 3(2) of the Prospectus Directive in [Austria / Belgium / Bulgaria / the Czech Republic / Denmark / Finland / France / Germany / Greece / Hungary / Ireland / Italy / Luxembourg / The Netherlands / Norway / Poland / Portugal / Slovakia / Spain / Sweden [and] the United Kingdom] ("**Public Offer Jurisdictions**") during the period from [*specify date*] until [*specify date*] ("**Offer Period**"). See further paragraph entitled "Terms and Conditions of the Offer" above.]
- Reasons for the offer** [specify] [Not applicable]
- [*See ["Use of Proceeds"] wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.*]
- Estimated net proceeds:** [•][*If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.*]
- Estimated total expenses:** [•][*Include breakdown of expenses*]
- Name(s) and address(es) of any paying agents and depository agents in each country:** [None/give details]]

**ISSUE-SPECIFIC SUMMARY OF THE SECURITIES**

*[Insert issue-specific summary if applicable]*



**FORM OF FINAL TERMS (Series G Notes)**

Final Terms No. [●] to the European Base Prospectus dated June 10, 2013[,  
as supplemented]



**The Goldman Sachs Group, Inc.**  
Subordinated Euro Medium-Term Notes, Series G

*[Title of [Fixed Rate] [Floating Rate] [Fixed/Floating Rate] [Zero Coupon] [Discount] [Range Accrual] Subordinate Notes]*

*Contractual Terms:*

[Terms used herein shall be deemed to be defined as such for the purposes of the General Note Conditions set forth in the base prospectus dated June 10, 2013, as it may be supplemented (the "Base Prospectus") which is a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus.]

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]*

[Terms used herein shall be deemed to be defined as such for the purposes of the General Note Conditions set forth in the base prospectus dated [June 8, 2012] [June 10, 2011] [June 11, 2010] [as supplemented by prospectus supplement no. 3 thereto dated October 19, 2011] which [is/are] incorporated by reference in the Base Prospectus dated June 10, 2013, as it may be supplemented (the "Base Prospectus") which is a base prospectus for the purposes of the Prospectus Directive including the terms and conditions incorporated by reference in the Base Prospectus. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectuses. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses.]

The Base Prospectus is available for viewing at [www.bourse.lu](http://www.bourse.lu) and during normal business hours at the registered office of the Issuer, and copies may be obtained from the specified office of the Paying Agent in Luxembourg. [These Final Terms are available for viewing at [www.bourse.lu](http://www.bourse.lu)] [*Include where the notes are to be admitted to trading on the Luxembourg Stock Exchange*] / [●] [*insert other website if the notes will not be admitted to trading on the Luxembourg Stock Exchange and the Final Terms will be published elsewhere*].

*[If the Notes have a denomination of at least EUR 100,000, then this sentence should be deleted.]* A summary of the Notes (which comprises the summary in the Base Prospectus as amended to reflect the provisions of these Final Terms) is attached to these Final Terms.

*[Specify whether each of the items below is applicable or not applicable. Italics denote guidance for completing final terms.]*

<b>Tranche Number</b>	[H-●] <i>[If fungible with an existing tranche, include the date on which the Notes become fungible]</i>
<b>Face Amount (Aggregate Notional Amount)</b>	[●] <i>[If fungible with an existing tranche, specify the face amount of this tranche and the entire face amount of all fungible tranches]</i>
<b>Denomination</b>	[●]
<b>Minimum Investment</b>	[●] [Not applicable]
<b>Type of Note</b>	[Fixed Rate] [Floating Rate] [Fixed/Floating Rate] [Zero Coupon] [Discount] [Range Accrual] Subordinated Series G note
<b>Specified Currency</b>	[●]

Form of Final Terms (Series G Notes)

<b>Trade Date</b>	[●]
<b>Original Issue Date (Settlement Date)</b>	[●]
<b>ISIN Code</b>	[●]
<b>Common Code</b>	[●]
<b>[Valoren Number</b>	<i>If applicable</i> [●]]
<b>Stated Maturity Date</b>	[●]
<b>Original Issue Price</b>	[●] per cent. of the Face Amount [plus accrued interest from <i>[insert date]</i> (if applicable)].
<b>Net Proceeds to Issuer</b>	[[Up to] [●] per cent. of the Face Amount
<b>Original Issue Discount</b>	[Not Applicable] [Applicable] <i>[If Not Applicable, delete the remainder of this row.]</i> <b>OID:</b> [●]% <b>Accretion Date:</b> [●] each year <b>Accretion Rate:</b> [●]% per annum
<b>Amount Payable at Maturity (Final Redemption Amount)</b>	[[●]% of the Face Amount outstanding on the Stated Maturity Date]
<b>[Yield to Maturity</b>	<i>Fixed Rate notes only:</i> [●]%]
<b>Interest Rate</b>	<i>[For fixed rate notes with a single interest rate for the full term of the notes:</i> ●% per annum] <i>[For floating rate notes:</i> A rate per annum equal to the Base Rate <i>[plus the Spread]</i> <i>[multiplied by the Spread Multiplier, if any.]</i> <i>[For notes that do not bear interest:</i> Not applicable]
<b>[Base Rate(s)</b>	<i>For floating rate notes, the base rate or rates]</i>
<b>[Underlyer Maturity</b>	<i>For floating rate notes, the Underlyer maturity]</i>
<b>[Underlyer Currency</b>	<i>For floating rate notes, the Underlyer currency]</i>
<b>[Underlyer Screen Page</b>	<i>For floating rate notes, the Underlyer screen page]</i>
<b>[Spread</b>	<i>For floating rate notes, if applicable:</i> ●]
<b>[Spread Multiplier</b>	<i>For floating rate notes, if applicable:</i> ●]
<b>[Minimum Rate</b>	<i>For floating rate notes, if applicable:</i> ●]
<b>[Maximum Rate</b>	<i>For floating rate notes, if applicable:</i> ●]
<b>[Interest Determination Dates</b>	<i>For floating rate notes:</i> The [first] [second] [Euro] [London] Business Day preceding the [first] [last] day of such Interest Period <i>[Modify as appropriate]</i>
<b>[Interest Reset Dates</b>	The [first] <i>[specify]</i> day of such Interest Period
<b>Day Count Fraction</b>	[1/1 (ISDA)] [Actual/Actual (ISDA)] [Actual/Actual (ICMA)] [Actual/Actual (Bond)] [Actual/Actual (Euro)] [Actual/365 (Fixed)] [Actual/360 (ISDA)] [Actual/360 (ICMA)] [30/360 (ISDA)] <i>[For notes that do not bear interest: Not Applicable]</i>

Form of Final Terms (Series G Notes)

**Change in Interest Rate Note Provisions**

[Not Applicable] [Applicable]

[If Not Applicable, delete the remainder of this row. If applicable modify as appropriate]

Scheduled Interest Payment Date	Rate of Interest	Spread / Cap / Floor
[first interest payment date]	[[●] per cent.] [Base Rate: ●] [Underlyer Maturity: ●] [Underlyer Currency: ●] [Underlyer Screen Page: ●]	[Spread: ●] [Spread Multiplier: ●] [Minimum Rate: ●] [Maximum Rate: ●]
[insert date] [repeat as required]	[repeat as required]	[repeat as required]

Scheduled Interest Payment Date	Interest Determination Dates	Interest Reset Dates	Day Count Fractions
[first interest payment date]	[specify]	[specify]	[specify]
[insert date] [repeat as required]	[repeat as required]	[repeat as required]	[repeat as required]

**Interest Commencement Date**

For fixed and floating rate notes, the interest commencement date]

[For notes that do not bear interest: Not Applicable]

**Interest Payment Dates**

For fixed and floating rate notes: ●[●, and ●] of each year[, beginning with ● and ending with ●]

[For notes that do not bear interest: Not Applicable]

**Range Accrual Provisions**

[Not Applicable] [Applicable]

[If Not Applicable, delete the remainder of this row.]

Underlyers	Accrual Range	Underlyer Daily Fixings
[LIBOR] [EURIBOR] [AUD BBSW] [[ccy1][ccy2] FX Fixing] [specify]	[[Equal to or] greater than ●] [or][and] [[[Equal to or] less than ●]	[specify]
[repeat as required]	[repeat as required]	[repeat as required]

Special Default Amount: [Not Applicable] [Applicable]

[For each Underlyer that is a Foreign Currency Exchange Rate:

Exchange Rate Underlyers	Bid/Ask/Mid	Fixing Page	Fixing Time
[[ccy1][ccy2] FX Fixing]	[—] [bid] [ask] [mid]	[specify]	[specify]
[repeat as required]	[repeat as required]	[repeat as required]	[repeat as required]

**Calculation Basis**

[Per Denomination] [Notional]

**Regular Record Dates**

[●] [For registered notes under NSS: 1] Business Day(s)

**Additional Redemption Rights at the Option of the Issuer**

[Not Applicable] [Applicable]

[If Not Applicable, delete the remainder of this row.]

Issuer's Redemption Date	Issuer's Redemption Price
[insert date]	[●] per cent.
[insert date] [repeat as required]	[●] per cent. [repeat as required]

Issuer's Redemption Notice: [●] [Business Days][days]

Form of Final Terms (Series G Notes)

**Repurchase at the Holder's Option**

[Not Applicable] [Applicable]  
 [If Not Applicable, delete the remainder of this row.]

Holder's Redemption Date	Holder's Redemption Price
[insert date]	[•] per cent.
[insert date] [repeat as required]	[•] per cent. [repeat as required]

**Redemption Upon Change in Law**

[Not Applicable] [Applicable]

**Gross-up and Call in the Case of Tax Law Changes**

[Not Applicable] [Applicable]

**Business Days**

[New York], [London], [specify]

**Business Day Convention**

[Modified] Following [[Adjusted] [Unadjusted]]

**Intended to be held in a manner which would allow Eurosystem eligibility**

[No] [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

**Any Clearing System(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):**

[specify other, give name(s), address(es) and number(s)] [Not Applicable]

**Calculation Agent**

[For fixed rate notes: Not applicable]  
 [Otherwise: [Goldman Sachs International] [specify]]

**Listing and Admission to Trading**

[For notes listed on the regulated market: Application [has been][will be] made to the Luxembourg Stock Exchange for the notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange [with effect from [•]; see "Listing and General Information" in the European base prospectus]  
 [When notes are to be fungible with an existing issue, indicate if original notes are already admitted to trading on the Luxembourg Stock Exchange]  
 [For all other notes: Not applicable]  
 [If the Notes have a denomination of at least EUR 100,000: Estimate of total expenses related to admission to trading: [•]]

---

Final Terms, dated •

### INFORMATION ABOUT THE UNDERLYER[S]

[an indication where information about the past and the further performance of the underlying and its volatility can be obtained]

[INDEX DISCLAIMER] [Insert only if applicable]

[where the underlying is an interest rate, a description of the interest rate.]

### [TERMS AND CONDITIONS OF THE OFFER]

[(If the Notes pay par at redemption and have a denomination of at least EUR 100,000 to which Annex XX (XIII) of the Prospectus Regulation applies, then this section should be deleted.)]

**[Offer Period:** An offer of the Notes may be made by the agents other than pursuant to Article 3(2) of the Prospectus Directive in the Public Offer Jurisdictions during the period commencing on (and including) [●] and ending on (and including) [●].

**Offer Price:** [[●]% of the Issue Price] [specify].

**Conditions to which the offer is subject:** [The offer of the Notes for sale to the public in the Public Offer Jurisdiction(s) are subject to the relevant regulatory approvals having been granted, and the Notes being issued.] [specify]

**Description of the application process:** [Not Applicable/give details].

**Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:** [Not Applicable/give details].

**Details of the minimum and/or maximum amount of application:** [Not Applicable][The maximum number of Notes to be issued is [●].

**Details of the method and time limits for paying up and delivering the Notes:** [The Notes will be issued on the Issue Date against payment to the Issuer of the net subscription moneys.] [specify]

**Manner in and date on which results of the offer are to be made public:** The results of the offering will be available on the following website [●] on or around the end of the Offer Period

**Procedure for exercise of any right of preemption, negotiability of subscription rights and treatment of subscription rights not exercised:** [Not Applicable/give details].

**Whether tranche(s) have been reserved for certain countries:** [●] [Not Applicable].

**Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:** [Not Applicable/give details].

**Amount of any expenses and taxes specifically charged to the subscriber or purchaser:** [Not Applicable/give details].

**Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:** [None/give details].

**Name(s) and address(es) of any paying agents and depository agents in each country:** [None/give details]

#### **Consent to use the Base Prospectus**

**Identity of financial intermediary(ies) that are allowed to use the Base Prospectus:** [insert name and address of any financial intermediary which has consent to use the Base Prospectus]

**Offer period during which subsequent resale or final placement of Notes by financial intermediaries can be made:** [specify]

**Conditions attached to the consent:** [insert any clear and objective conditions attached to the consent to use the Base Prospectus]



## DISTRIBUTION

*[(If the Notes pay par at redemption and have a denomination of at least EUR 100,000 to which Annex XX (XIII) of the Prospectus Regulation applies, then this section should be deleted.)]*

- Method of distribution:** [Syndicated / Non-syndicated].
- [*Include if syndicated — Names and addresses of Purchasing Agents and underwriting commitments:* [Give names, addresses and underwriting commitments].]
- [*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Purchasing Agents.*]
- [*Include if syndicated — Date of Terms Agreement:* specify]
- [*Include if non-syndicated — Name and address of Dealer:* [give name and address].]
- Non-exempt Offer:** [Not Applicable] [An offer of the Notes may be made by the Managers [and [*specify, if applicable*]] other than pursuant to Article 3(2) of the Prospectus Directive in [Austria / Belgium / Bulgaria / the Czech Republic / Denmark / Finland / France / Germany / Greece / Hungary / Ireland / Italy / Luxembourg / The Netherlands / Norway / Poland / Portugal / Slovakia / Spain / Sweden [and] the United Kingdom] ("**Public Offer Jurisdictions**") during the period from [*specify date*] until [*specify date*] ("**Offer Period**"). See further paragraph entitled "Terms and Conditions of the Offer" above.]
- Reasons for the offer** [specify] [Not applicable]
- [*See ["Use of Proceeds"] wording in Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.*]
- Estimated net proceeds:** [•][*If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.*]
- Estimated total expenses:** [•][*Include breakdown of expenses*]
- Name(s) and address(es) of any paying agents and depository agents in each country:** [None/give details]]

**ISSUE-SPECIFIC SUMMARY OF THE SECURITIES**

*[Insert issue-specific summary if applicable]*



**(THIS PAGE INTENTIONALLY LEFT BLANK)**

**THE PRINCIPAL OFFICE OF  
THE GOLDMAN SACHS GROUP, INC.**  
200 West Street  
New York, NY 10282  
United States of America

**AUDITORS TO  
THE GOLDMAN SACHS GROUP, INC.**

**PricewaterhouseCoopers LLP**  
300 Madison Avenue  
New York, New York 10017  
United States of America

**FISCAL AGENT AND PAYING AGENT**

**The Bank of New York Mellon**  
One Canada Square  
Canary Wharf  
E14 5AL  
London  
UK

**LISTING AGENT, PAYING AGENT AND TRANSFER AGENT IN LUXEMBOURG**

**Banque Internationale à Luxembourg**  
69, route d'Esch  
L-2953 Luxembourg  
Luxembourg

**LEGAL ADVISORS TO  
THE GOLDMAN SACHS GROUP, INC.**

**As to United States law:**  
General Counsel or Associate General Counsel  
The Goldman Sachs Group, Inc.  
200 West Street  
New York, NY 10282  
United States of America

**As to United States law  
(including as to United States  
Federal Income tax law):**  
**Sullivan & Cromwell LLP**  
1 New Fetter Lane  
London EC4A 1AN  
United Kingdom

